THE RMIG ENDOWMENT TRUST

England & Wales · Charity number 290883

Details

Status	Registered
Legal form	Trust
Registered	1985-01-21
Register	View on the Charity Commission register

Contact

Address	Freemasons Hall 60 Great Queen Street London WC2B 5AZ
Phone	01923 725354
Email	admissions@royalmasonic.herts.sch.uk
Website	admissions@royalmasonic.herts.sch.uk

Activities

Objects: 2.1 FOR THE RELIEF OF POVERTY AND ADVANCEMENT OF EDUCATION BY THE ASSISTANCE OF SUCH CHILDREN, YOUNG WOMEN AND YOUNG MEN WHO WILL BE, ARE OR HAVE BEEN EDUCATED AT THE SCHOOL AS THE TRUSTEES CONSIDER FROM TIME TO TIME ARE IN NEED OF ASSISTANCE, WITH A PREFERENCE FOR THE DAUGHTERS (INCLUDING ADOPTED DAUGHTERS, STEPDAUGHTERS, AND FEMALE CHILDREN OF THE FAMILY) AND THE GRANDDAUGHTERS OFFREEMASONS UNDER THE UNITED GRAND LODGE OF ANCIENT FREE AND ACCEPTED MASONS OF ENGLAND; AND2.2 FOR THE SUPPORT OF ANY CHARITABLE PURPOSE OR PURPOSES CONNECTED WITH OR RELATING TO THE SCHOOL OR THE EDUCATION OF ITS PUPILS, AS THE TRUSTEES CONSIDER APPROPRIATE FROM TIME TO TIME.

Activities: The Trust has as its main activity that of applying its resources for any charitable purpose connected with The Royal Masonic School for Girls,Rickmansworth Park,Rickmansworth or the education of its pupils who are daughters of English Freemasons considered to be in need.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space
- **What:** Education/training
- **Who:** Children/young People

Geography

- Hertfordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,011,000	£2,153,000	£13,196,000	0
2024-03-31	£1,048,000	£5,591,000	£12,484,000	0
2023-03-31	£2,066,000	£2,901,000	£14,881,000	0
2022-03-31	£2,032,000	£3,270,000	£15,374,000	0
2021-03-31	£496,000	£1,457,000	-	-

Trustees

Name	Role	Appointed
Masonic Charitable Foundation		2019-04-01

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THE RMIG ENDOWMENT TRUST

England & Wales - Charity number 290883

Accounts

RMIG ENDOWMENT TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Charity Number: 290883

RMIG ENDOWMENT TRUST

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RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

The trustee is pleased to submit its report for the year ended 31st March 2025.

Reference and Administrative Information

Name and Registered Office

The name of the charity is the RMIG Endowment Trust (the "Charity") and its principal office is located at 60 Great Queen Street, London, WC2B 5AZ.

Trustees

The Trustee who served during the whole of the year was:

- The Masonic Charitable Foundation ("MCF") (Corporate Trustee, Registered Charity No. 1164703, Company Number 09751836)

The trustees of the MCF who served during the year were:

- Clive Emerson (Treasurer)
- Dr Simon Fellerman
- Edward Goodchild (Deputy President)
- Alan Graham, MBE
- Christopher Head (Resigned 1st August 2024)
- David Hudd (Appointed 29th May 2024)
- James Long, TD (President and Chairman)
- Charlotte Miller (Resigned 13th June 2024)
- Stephen Robinson
- Marie Shenton
- David Southern (Resigned 30th June 2024)
- David Stockdale (Appointed 22nd May 2024)
- Bruce Walker
- Sir Paul Williams, OBE, KStJ, DL (Resigned 26th April 2024)
- Howard Wilson

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

Executive

The Executive during the year to 31st March 2025 were:

- Les Hutchinson, Chief Executive
- Charles Angus, Group Finance Director
- Brenda Nurse, Company Secretary

Auditor

Knox Cropper LLP, Chartered Accountants, 65 Leadenhall Street, London, EC3A 2AD

Bankers

Barclays Bank Plc, Level 28, 1 Churchill Place, Canary Wharf, London, E14 5HP

Clydesdale Bank Plc, Unit 8, 3 The Chase, John Tate Road, Hertford, Herts SG13 7NN

Investment Advisors

Asset Risk Consultants Limited, 7 New Street, St. Peter Port, Guernsey, GY1 2PF

Investment Managers

CCLA, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Sarasin & Partners LLP, Juxon House, 100 St. Paul's Churchyard, London, EC4M 8BU

Royal London Asset Management Ltd., 55 Gracechurch Street, London, EC3V 0UF

Thesis Unit Trust Management Ltd, Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP

Waverton Investment Management Ltd., 16 Babmaes Street, St. James, London, SW1Y 6AH

Solicitors

Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

Wedlake Bell LLP, 71 Queen Victoria Street, London, EC4V 4AY

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

Structure, Governance and Management

Organisation

The Charity is governed under the terms of a trust deed dated 29th November 1984 which constitutes an unincorporated charity. The trust deed has been varied a number of times to accommodate changes in trustees, with a variation dated 5th April 2019 appointing the MCF and its chairman as Trustees of the Charity. Following the granting of trust corporation status to the MCF, the chairman resigned as a trustee of the Charity on 12th December 2019.

Governance and Management

The MCF is the sole trustee of the Charity. Details of the processes for the appointment, induction and training of the MCF's trustees are given in the annual report and accounts of that company.

All governance and management capabilities are provided by the MCF and details of the relevant committees and processes are provided in the annual report and accounts of that company. Trustees and committees of the MCF address the specific needs of the Charity as part of their roles and responsibilities for the MCF. The trustee board and the main committees meet as follows:

Board/Committee	Purpose	Meetings per year
Trustee Board	Main decision-making body with ultimate responsibility for the Charity	4
Audit and Risk	Identification and mitigation of risk, oversight of external audit	4
Finance	Ensuring adequate procedures are in place to manage all aspects of financial planning, controlling and reporting.	4
Investments	Maintaining investment strategies to meet the requirements of the Charity, appointment and monitoring of fund managers	4
Property	Development and execution of strategies to optimise the returns from the Charity's property portfolio	4
Strategy	Development and implementation of strategies to support the Charity's objectives.	4

The Charity does not employ any staff, with services being provided by staff employed by the MCF.

Objectives and Activities

The objects of the Charity

The primary purpose of the Charity was to apply its resources for any charitable purpose connected with the Royal Masonic School for Girls (the "School") or the education of its pupils who are daughters or adopted daughters of English Freemasons considered to be in need. The resources consist of funds donated by Freemasons to the Royal Masonic Institution for Girls and transferred by that charity to the trustees on establishment of the Charity on 29th November 1984, together with property and real estate at Rickmansworth Park which houses the School.

On 9th June 2022 the Trustee approved an amendment to the trust deed to widen support to all children, young women and young men who will be, are or have been educated at the School, and for any charitable purposes connected with the School and the education of its pupils. This variation was approved by the Charity Commission through a Scheme dated 24th January 2023.

TRUSTEE'S ANNUAL REPORT

The main activities

Since its establishment, a policy of the Charity has been to ensure the proper maintenance of the property and real estate to optimise the running of the School. The Charity provides scholarships and bursaries on a "need or means tested" basis to daughters or adopted daughters of Freemasons in accordance with the trust deed. This policy has now been extended to cover all children at the school, young women and men, with or without a masonic connection.

When setting the objectives and planning the work of the Charity for the year, the Trustee has given careful consideration to the Charity Commission's general guidance on public benefit. In meeting its objects, the trustee has been mindful of the public benefits which the Charity and the School can jointly provide to local, provincial and national organisations by the use of the grounds, sports facilities and the various halls and buildings.

During 2022, the assets of the Cadogan Trust were transferred to the Endowment Trust, to be used to continue providing bursaries to six current students at the School. The funds received, amounting to £1.07 M, were placed into a separate restricted reserve.

Achievements and Performance

During the period, the Charity expended £1.86 M on supporting the School (2024: £5.10 M). Major areas of repair and refurbishment included: completion of the great hall project, resurfacing of the car park and design work on the chapel.

£0.16 M was paid out in bursaries from the Cadogan Trust Bursary Fund to support six pupils at the School (2024: £0.26M).

Financial Review

Review of the Year

Unrestricted Fund

Income received of £0.97 M consisted mainly of £0.80 M rental from the School under the terms of the interim lease and £0.15 M interest on bank deposits.

Total expenditure for charitable purposes amounted to £2.14 M (2024: £5.57 M). A transfer of £1.63 M was received from the endowment fund. The surplus for the year of £0.69 M (2024: £1.57 M) was transferred to reserves.

Endowment Fund

Dividend income of £0.04 M (2024: £0.08 M) was generated from the investment portfolio with costs of £0.01 M (2024: £0.02 M).

Nil gains arose from the Charity's investment in the MCF CAIF (2024 gains: £0.47 M). £1.86 M was written back to the value of the social investment property (the buildings leased to the School) following the repairs

undertaken during the year. No further provision was made in recognition of the increased scope and cost required to complete the programme of backlog works. A support grant of £75k was paid to the RMS to assist in mitigating the impact of the imposition of VAT on school fees.

Reserves Policy

As at the 31 March 2025 the total level of reserves was £13.20 M, of which £10.89 M related to endowment funds, £0.54 M to the Cadogan Bursary and the remainder of £1.76 M related to the working capital within the unrestricted general reserve.

The Charity's policy is to apply its resources for any charitable purpose connected with the School or the education of its pupils in accordance with the trust deed. The Charity has commissioned a report from a firm of professional surveyors to consider the condition of the School buildings in anticipation of a new tenant repairing lease, from which significant dilapidations have been identified for rectification. The expected cost for this is estimated at £21.50 M and full provision has been made for this against the value of the social investment property in the accounts. In order to provide increased availability of funds, the Trustee agreed to adopt a Total Return basis for utilising investment returns on 12th December 2019, replacing the previous policy of applying in-year income only for the purpose of supporting the School. The surplus over the original endowment has been transferred to a separate reserve for the total unapplied return.

The social investment property has been valued through the discounting of expected future lease payments using a yield of 5.5% as the cost of capital, less the residual value of the provision for backlog repairs. This provision is being released back to the endowment fund in line with the works being completed and charged to the unrestricted general reserve. The provision for backlog repairs is reviewed on an annual basis, and adjusted as required in accordance with the evolving cost for the planned works.

Investment Policy and Performance

The investment strategy was to provide sufficient income to support the Charity's primary objectives whilst maintaining its real value to ensure that purchasing power does not diminish in the long-term. The Trustee recognised that this required a medium to high risk asset allocation, with up to 85% of the portfolio invested in equities. Risk was mitigated through a diverse portfolio of fixed interest securities, equities, unit trusts and open-ended investment companies. Following the Trustee's decision to adopt a Total Return basis, the requirement to maximise the income component of the investment return was removed, and the Charity was able to adopt the MCF investment strategy and to transfer its funds to the MCF CAIF.

The MCF global investment strategy seeks to protect the capital value of investments that are required to fund operations for a two-year time horizon (the "Cash Reserve") and to invest all remaining funds for long term growth, on a total return basis, with an overall objective of making a return of CPI plus 3.5% net of all expenses.

The Cash Reserve is provided by Royal London Asset Management and utilises three of their funds, which provide a mix of instruments, including cash instruments, Treasury Bills, covered (secured) bonds, corporate bonds, Supranationals and mortgage-backed securities. The performance objectives of the three funds are:

- Short Term Money Market Fund: SONIA
- Short Term Fixed Income Fund: SONIA plus 0.50% gross of fees
- Short Term Fixed Income Enhanced Plus Fund: SONIA plus 1.00% gross of fees

Investment Policy and Performance (Continued)

The MCF sponsored the launch of the Masonic Charitable Foundation Investment Fund CAIF, which took place on 1st October 2018. This is a unit trust with a highly efficient tax wrapper in which the MCF and all its subsidiary charities own their shares in the form of units. Units will be sold as required in order to top up the Cash Reserve on a quarterly basis. The investment strategy is directed for "Steady Growth", which is a medium-high risk strategy. Risk is managed through diversification, with the funds split between four different fund managers operating on multi asset mandates but utilising differing investment management styles. The overall fund manager is Thesis Unit Trust Management Limited and the custodian in Northern Trust.

The strategic and actual asset allocations as at 31st March 2025 are shown in the following table:

Asset Class	Strategic Allocation	Benchmark	Actual 31st March 2025
Cash	0.00%	SONIA	4.78%
Fixed Income	7.50%	FTSE UK World Gov. Bond Index GBP	5.92%
International Equity	54.50%	MSCI World ex UK NR GBP	65.47%
U.K. Equity	18.00%	MSCI UK Equity NR GBP	12.79%
Emerging Market Equity	12.50%	MSCI Emerging Markets Equity NR GBP	3.42%
Alternative Investments	3.75%	HFRX Global Hedge Fund GBP	6.73%
Property	3.75%	IA UK Direct Property TR	0.89%
	100.00%		100.00%

Performance under the new arrangements is shown in the table below:

	MCF CAIF	RLAM Money Market	RLAM Short Term Fixed Income	RLAM Short Term Fixed Income Enhanced	CCLA Property Fund
Fund at 31st March 2025	£1.83 M	£ Nil	£ Nil	£ Nil	£ Nil
Investment approach	Steady Growth Multi-Asset	Capital Protection	Capital Protection	Capital Protection	Income & long-term Capital Growth
Benchmark	Composite	SONIA	SONIA	SONIA	MSCI/AREF UK other balanced property
Peer Group	ARC Charity GBP Steady Growth	None	None	None	ARC Charity GBP Steady Growth
Return for the year	3.80%	5.23%	5.54%	5.81%	6.90%
Benchmark return for year	5.50%	4.90%	4.90%	4.90%	2.20%
Peer group return for year	3.00%	4.40%	4.40%	4.40%	3.00%
3 year return	18.40%	13.45%	14.10%	14.09%	(6.20)%
3 year benchmark	19.80%	12.57%	12.57%	12.57%	(9.40)%
3 year peer group	8.10%	2.90%	2.90%	2.90%	8.10%

Investment Policy and Performance (Continued)

Stock markets suffered a collapse in the final month of the financial year following the introduction of tariffs by the USA, resulting in an increase in the valuation of the MCF CAIF from its opening value of £146.47 to close at £149.99 per unit after reaching a high point of £161.77 in early February.

Principal Risks and Mitigation

The principal risks identified and agreed actions to mitigate are shown in the following table:

Risk	Consequence	Mitigation
Significant unexpected financial loss from operations	Reputational damage, loss of confidence with key stakeholders and impact upon continuing financial sustainability	Strong financial procedures, particularly budgetary planning and control. Oversight from the Finance Committee.
Inadequate liquidity to meet financial commitments	Poor service to beneficiaries and reputational damage. Withdrawal of key services from suppliers	Cash flow forecasting and liquidity planning within the Investment Strategy
Significant long-term loss in the value of the investment portfolio	Impacts financial sustainability and reputational damage with donors	Appointment of Asset Risk Consultants as expert investment advisors, providing monthly performance reporting and analysis. Oversight from investment and property committees.
Grants made outside the Charity's Objects and operating guidelines	Reputational damage, loss of confidence with key stakeholders and potential trustee liability	Strong procedures and controls for processing grants. Oversight from Masonic Support and Charity Grants committees
Cyberattack on IT systems	Operational disruption resulting in financial, reputational, legal and regulatory damage.	UGLE manage and monitor networks, servers and backup systems, and has deployed appropriate defence mechanisms e.g. firewalls, antivirus etc. Third party hosted systems /applications have relevant controls and security regimes. Information systems are only accessed via the VPN network and/or multi-factor authentication protocols. MCF's Information Security Group (ISG) have various digital & IT procedures and policies in place. Cyber awareness and training programme mandatory for all staff.
Data protection breach	Reputational damage and significant financial penalties	Data protection policy, IT security and HR policies in place
Fraud	Financial loss, reputational damage, adverse impact upon staff	Financial procedures, segregation of duties, authority limits, IT security, increased awareness amongst staff
Unavailability of office accommodation	Operations compromised	MCF Business Continuity Plan
Loss of paper records from fire/flooding	Breach of legal obligations, adverse impact upon operations, potential financial penalties	Reduced reliance on paper records with increased use of IT.
Lack of compliance with employment legislation	Breach of legal obligations, potential financial penalties, breakdown of staff morale and adverse impact upon service provision	HR procedures and staff handbook. Induction processes for new staff. Ongoing management training and Personal Development Review
Undue reliance on key persons	Operational breakdown, adverse impact upon staff morale, poor service to beneficiaries and potential reputational damage	HR procedures: organisational and succession planning. Comprehensive documentation of procedures and controls

Risks are actively monitored by the Executive and the senior leadership team, and formally reviewed by the audit and risk committee at their quarterly meetings.

Plans for Future Periods

The MCF plans to continue to operate the Charity in a prudent manner that meets the needs of its beneficiaries over the long term. It recognises the requirement to work closely with the School to resolve the backlog of repairs to its infrastructure that have built up over many years and will prioritise the execution of a 6-year plan to address these issues in a sustainable manner.

Following completion of the backlog works, the Charity will consult with the School to determine the most effective use of surplus income for supporting its operations and pupils.

RMIG ENDOWMENT TRUST

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

Statement of Responsibilities

The Trustee is responsible for preparing the trustee's report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (U.K. "GAAP").

The law applicable to charities in England and Wales, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed require the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that year.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustee is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. It is also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution proposing that Knox Cropper LLP be reappointed as auditor will be put to the members.

Approval by Trustee

This report, was approved by the Trustee on 11th September 2025 and signed on their behalf by

James Long, TD

President and Chairman, MCF

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RMIG ENDOWMENT FUND

We have audited the financial statements of the RMIG Endowment Fund (the "Charity") for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information.

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RMIG ENDOWMENT FUND

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustee's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the Trustee's Responsibilities Statement set out on page 12, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RMIG ENDOWMENT FUND

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for any restricted funds was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for any restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the Charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken, so that we might state to the Charity's trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustee as a body, for our audit work, for this report or for the opinions we have formed.

Knox Cropper LLP

Knox Cropper LLP
Statutory Auditor
65 Leadenhall Street
London EC3A 2AD

06 Nov 2025

Knox Cropper LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2025

(Including an Income and Expenditure Account)

	Note	Unrestricted funds 2025 £'000	Restricted funds 2025 £'000	Endowment funds 2025 £'000	Total Funds 2025 £'000	Total Funds 2024 £'000
INCOME						
Investment income	2	972	0	39	1,011	1,130
Total income		972	0	39	1,011	1,130
EXPENDITURE						
Investment management costs		0	0	(10)	(10)	(18)
		0	0	(10)	(10)	(18)
Charitable activities						
Non-Masonic grants	3	(1,911)	(157)	(75)	(2,143)	(5,573)
		(1,911)	(157)	(75)	(2,143)	(5,573)
Total expenditure		(1,911)	(157)	(85)	(2,153)	(5,591)
Net gains/(losses) on investments	7	0	0	1,854	1,854	2,064
Net income/(expenditure)		(939)	(157)	1,808	712	(2,397)
Transfers between funds	10	1,625	0	(1,625)	0	0
NET MOVEMENT IN FUNDS		686	(157)	183	712	(2,397)
Total funds brought forward		1,073	700	10,711	12,484	14,881
Total funds carried forward		1,759	543	10,894	13,196	12,484

All income and expenditure derive from continuing activities and all gains/losses are included in the statement of financial activities

The notes on pages 19 to 28 form part of these financial statements. The prior year figures are analysed by fund in note 13 on page 27.

RMIG ENDOWMENT TRUST

BALANCE SHEET as at 31 March 2025

	Note	March 2025 £'000	March 2024 £'000
FIXED ASSETS			
Investment properties	6	7,067	5,212
Investments	7	1,825	3,497
		8,892	8,709
CURRENT ASSETS			
Debtors	8	601	995
Cash at bank and in hand		4,012	3,813
		4,613	4,808
CURRENT LIABILITIES			
Creditors falling due within one year	9	(309)	(939)
NET CURRENT ASSETS		4,304	3,869
TOTAL ASSETS LESS CURRENT LIABILITIES		13,196	12,578
Creditors falling due after one year	9	0	(94)
Total net assets		13,196	12,484
CHARITABLE FUNDS			
Endowment funds			
Permanent endowment	10	10,909	10,909
Total unapplied return	10	(15)	(198)
		10,894	10,711
Restricted funds			
Cadogan Trust	10	543	700
Unrestricted funds			
General reserves	10	1,759	1,073
Total charitable funds		13,196	12,484

The financial statements were approved and authorised for issue by the Trustee Board on 11th September 2025 and signed on their behalf by:

James Long, TD
Chairman

Clive Emerson
Treasurer

The notes on pages 19 to 28 form part of these financial statements

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2025

	Note	2025 £'000	2024 £'000
Operating Activities			
Net cash provided by/(used in) Operating Activities	A	(2,311)	(4,718)
Cash flows from investing activities			
Dividends and interest from investments		1,011	1,130
Proceeds from the sale of investments		1,700	2,700
Purchase of investments		0	0
Net cash provided by/(used in) Investing Activities		2,711	3,830
Cash flows from financing activities			
Bank loans (repaid)/taken out		(201)	(194)
Change in cash and cash equivalents in the reporting period		199	(1,082)
Cash and cash equivalents at the beginning of the reporting period		3,813	4,895
Cash and cash equivalents at the end of the reporting period	14	4,012	3,813

Notes on the cash flow statement

A **Reconciliation of net income/(expenditure) to net cash flow from operating activities**

Net movement in Funds as per the Statement of Financial Activities	712	(2,397)
Adjustments for:		
Impairment of investment property	(1,855)	(1,592)
Dividends, interest and rents from investments	(1,011)	(1,130)
Other movements in investments	(28)	(536)
Decrease in debtors	394	437
Increase/(decrease) in creditors	(523)	500
Net cash provided by/(used in) Operating Activities	(2,311)	(4,718)

1. ACCOUNTING POLICIES

(a) Statement of compliance

The financial statements of the RMIG Endowment Trust (the "Charity") have been prepared in accordance with applicable UK accounting standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"). Additionally, they comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102 second edition) published in 2019 (the "SORP") in all material respects. The Charity meets the definition of a public benefit entity under FRS 102.

(b) Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investments, on a basis consistent with previous years. The functional currency of the Charity is considered to be Pounds Sterling because that is the currency of the primary economic environment in which the Charity operates.

(c) Going concern

The Trustee has assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustee has made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustee of the Charity has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustee is of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

(d) Incoming resources

Revenue is recognised when the significant risks and rewards of ownership have been transferred, the amount of revenue can be measured reliably, it is probable that future economic benefits will flow to the Charity and when the specific criteria relating to each of the Charity's revenue channels have been met, as described below:

i. Rental and income is accounted for on an accruals basis under the terms of the lease with the School.
ii. Interest on fixed-interest securities is accounted for on an accruals basis.
iii. Dividends on equities are recognised on receipt of payment.

(d) **Resources expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of any obligation can be measured reliably. All resources expended are recognised on an accruals basis, with the exception of grants as noted below.

Grants are recognised as expenditure in the year in which the grant is formally approved by the Charity and has been communicated in writing to the recipient, except to the extent that it is subject to conditions that enable the Charity to revoke the award.

(e) **Allocation and apportionment of costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

(f) **Employee benefits**

All staff are employed by the parent charity, The Masonic Charitable Foundation. No charge is made to the Charity in respect of staff providing services to the Charity. No remuneration is paid to trustees and no expenses reimbursed.

(g) **Fund accounting**

Unrestricted funds may be utilised for any purpose in accordance with the charitable objectives of the Charity. The trustees took the decision at the end of the previous year to move the endowment fund to a total returns basis, resulting in a change of policy. Investment income and management fees are retained within the CAIF and the endowment fund. Withdrawals from the CAIF are transferred to the general fund from the total unapplied return section of the endowment fund.

(h) **Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are stated at market value. All realised and unrealised gains and losses are recognised within the Statement of Financial Activities. Investments which the Charity holds for resale or pending their sale and cash or cash equivalents with a maturity date of less than one year, which are held for investment purposes, are disclosed as current asset investments.

(i) **Financial assets and liabilities**

The Charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Financial assets and liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities which qualify as basic financial instruments are initially recognised at the settlement amount after any trade discounts. They are subsequently valued at amortised cost and assessed for impairment at the end of each reporting period. Where settlement is not expected within 12 months of the balance sheet date, then the asset or liability is discounted using the long term return of inflation plus 4 percent used as the target for the Charity's investment portfolio. Basic financial instruments include debtors, cash and creditors within the balance sheet.

(j) **Taxation**

The Charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and it is considered to pass the test set out in paragraph 1, schedule 6 of the Finance Act 2010, and therefore it meets the definition of a charity for U.K. Corporation Tax purposes. The Charity is unable to recover Valued Added Tax (VAT) incurred on expenditure. The amount of VAT that cannot be recovered is included within the underlying cost to which it relates.

(k) **Social Investment Property**

The social investment property has been valued through the discounting of expected future lease payments using a yield of 5.5% as the cost of capital, less the residual value of the provision for backlog repairs. This provision is being released back to the endowment fund in line with the works being completed and charged to the unrestricted general reserve. The provision for backlog repairs is reviewed on an annual basis, and adjusted as required in accordance with the evolving cost for the planned works. Gains or losses are recognised within the Statement of Financial Activities. No depreciation is provided on social investment properties.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

2. INVESTMENT INCOME

	Unrestricted funds 2025 £'000	Restricted funds 2025 £'000	Endowment funds 2025 £'000	Total Funds 2025 £'000	Total Funds 2024 £'000
Interest on bank deposits	149	0	0	149	225
Income from investment portfolios	0	0	39	39	82
Rental income - Royal Masonic School	799	0	0	799	799
Rental income - other	6	0	0	6	10
Income - other	18	0	0	18	14
	972	0	39	1,011	1,130

3. CHARITABLE ACTIVITIES

	Unrestricted funds 2025 £'000	Restricted funds 2025 £'000	Endowment funds 2025 £'000	Total Funds 2025 £'000	Total Funds 2024 £'000
Non-Masonic Grants					
Foundation scholarships & bursaries	0	157	75	232	256
Property expenses	1,856	0	0	1,856	5,100
Support Costs	55	0	0	55	217
	1,911	157	75	2,143	5,573

4. SUPPORT COSTS

	Unrestricted funds 2025 £'000	Restricted funds 2025 £'000	Endowment funds 2025 £'000	Total Funds 2025 £'000	Total Funds 2024 £'000
Interest and bank charges	6	0	0	6	13
Legal and administrative	40	0	0	40	195
Governance costs	9	0	0	9	9
	55	0	0	55	217

5. STAFF COSTS

The Charity employed no staff during the year (2024: None). No staff recharges have been made from the MCF to the Charity.

No Trustee received remuneration from the Charity during the year (2024: £ Nil). No Trustee's expenses were incurred during the year (2024: £ Nil).

6. SOCIAL INVESTMENT PROPERTY

	March 2025 £'000	March 2024 £'000
Balance at 1 April 2024	5,212	3,620
Additional provision for backlog repairs	0	(3,500)
Utilisation of provision for backlog repairs	1,855	5,092
Balance at 31 March 2025	7,067	5,212

7. INVESTMENTS

	March 2025 £'000	March 2024 £'000
Fixed Asset Investments:		
- Managed Funds		
MCF CAIF	1,825	3,497
	1,825	3,497

MOVEMENTS IN INVESTMENTS

Listed

Balance at 1 April 2024	3,497	5,661
Additions	0	0
Disposals	(1,700)	(2,700)
Investment income reinvested	39	82
Management fees charged to the fund	(10)	(18)
Gains/(losses)	(1)	472
Balance at 31 March 2025	1,825	3,497

RECONCILIATION TO SOFA

Gains on listed investments	(1)	472
Provision for backlog repairs on social investment property	1,855	1,592
	1,854	2,064

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

8. **DEBTORS**

	March 2025 £'000	March 2024 £'000
Prepayments and accrued income	601	995
	601	995

9. **CREDITORS**

	March 2025 £'000	March 2024 £'000
Falling due within one year		
Bank loans and overdrafts	86	193
Trade creditors	159	737
Accruals	10	9
Amounts due to group undertakings	7	0
Taxation and social security	47	0
	309	939

Falling due after more than one year	March 2025 £'000	March 2024 £'000
Bank loans	0	94
	0	94

A new bank loan was taken out on 7th April 2021 for an amount of £835,817. It is repayable in 52 monthly instalments ending 10th August 2025. Interest is chargeable at a fixed rate of 3.31%

10. MOVEMENT IN FUNDS

	Balance at 1 April 2024 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	Balance at 31 March 2025 £'000
Endowment funds						
Permanent endowment	10,909	0	0	0	0	10,909
Total unapplied return	(198)	39	(85)	1,854	(1,625)	(15)
	10,711	39	(85)	1,854	(1,625)	10,894
Restricted funds						
General reserves:						
Cadogan	700	0	(157)	0	0	543
Unrestricted funds						
General reserves	1,073	972	(1,911)	0	1,625	1,759
	1,073	972	(1,911)	0	1,625	1,759
Total funds	12,484	1,011	(2,153)	1,854	0	13,196

PRIOR YEAR	Balance at 1 April 2023 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	Balance at 31 March 2024 £'000
Endowment funds						
Permanent endowment	10,909	0	0	0	0	10,909
Total unapplied return	374	82	(18)	2,064	(2,700)	(198)
	11,283	82	(18)	2,064	(2,700)	10,711
Restricted funds						
General reserves:						
Cadogan	956	0	(256)	0	0	700
Unrestricted funds						
General reserves	2,642	1,048	(5,317)	0	2,700	1,073
	2,642	1,048	(5,317)	0	2,700	1,073
Total funds	14,881	1,130	(5,591)	2,064	0	12,484

11. ASSETS AND LIABILITIES

	Investment Properties £'000	Investments £'000	Current Assets £'000	Liabilities & Provisions £'000	Fund Total £'000
Endowment funds					
Permanent endowment	909	10,000	0	0	10,909
Total unapplied return	6,158	(8,175)	2,002	0	(15)
	7,067	1,825	2,002	0	10,894
Restricted funds					
General reserves: Cadogan	0	0	548	(5)	543
Unrestricted funds					
General reserves	0	0	2,063	(304)	1,759
	0	0	2,063	(304)	1,759
Total funds	7,067	1,825	4,613	(309)	13,196

PRIOR YEAR	Investment Properties £'000	Investments £'000	Current Assets £'000	Liabilities & Provisions £'000	Fund Total £'000
Endowment funds					
Permanent endowment	909	10,000	0	0	10,909
Total unapplied return	4,303	(6,503)	2,002	0	(198)
	5,212	3,497	2,002	0	10,711
Restricted funds					
General reserves: Cadogan	0	0	700	0	700
Unrestricted funds					
General reserves	0	0	2,106	(1,033)	1,073
	0	0	2,106	(1,033)	1,073
Total funds	5,212	3,497	4,808	(1,033)	12,484

12. RELATED PARTY DISCLOSURES

As described in the trustees report the Charity has a close working relationship with the Royal Masonic School for Girls (the "School"). Two trustees of the ultimate holding company are also governors of the School. At the balance sheet date, a total amount of £Nil due from the Charity to the School (2024: £Nil) was included in other creditors (note 9). The Charity executed a long-term lease with the School on 16th June 2023, and the terms of this document have been used for the purpose of valuing the social investment property as per note 6 of the financial statements.

13. STATEMENT OF FINANCIAL ACTIVITIES — 12 MONTHS ENDED 31 MARCH 2024

(Including an Income and Expenditure Account)

	Note	Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	Endowment funds 2024 £'000	Total Funds 2024 £'000
INCOME					
Investment income	2	1,048	0	82	1,130
Total income		1,048	0	82	1,130
EXPENDITURE					
Investment management costs		0	0	(18)	(18)
		0	0	(18)	(18)
Charitable activities					
Non-Masonic grants	3	(5,317)	(256)	0	(5,573)
		(5,317)	(256)	0	(5,573)
Total expenditure		(5,317)	(256)	(18)	(5,591)
Net gains/(losses) on investments	7	0	0	2,064	2,064
Net income/(expenditure)		(4,269)	(256)	2,128	(2,397)
Transfers between funds	10	2,700	0	(2,700)	0
NET MOVEMENT IN FUNDS		(1,569)	(256)	(572)	(2,397)
Total funds brought forward		2,642	956	11,283	14,881
Total funds carried forward		1,073	700	10,711	12,484

14. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS LESS DEBT

	At 1 April 2024 £'000	Cash Flow £'000	Non-Cash Changes £'000	At 31 March 2025 £'000
Cash and cash equivalents				
Cash at bank and in hand	3,813	199	0	4,012
	3,813	199	0	4,012
Borrowings				
Bank loans due within one year	(193)	201	(94)	(86)
Bank loans due after one year	(94)	0	94	0
	(287)	201	0	(86)
Total cash and cash equivalents less debt	3,526	400	0	3,926

15. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Masonic Charitable Foundation (Registered Charity No. 1164703, Company Number 09751836), which is the sole member of the company. Consolidated accounts for the MCF, which include the accounts of the Charity, can be obtained from the registered office of the Charity.

Signable

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Parties involved with this document

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Thu, 6th Nov 2025 16:33:47 GMT	Stephen Anderson - Signer (89564d99a82cd244cd4d5d5f5d9e30cf)
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THE RMIG ENDOWMENT TRUST

England & Wales - Charity number 290883

Accounts

RMIG ENDOWMENT TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

Charity Number: 290883

RMIG ENDOWMENT TRUST

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RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

The trustee is pleased to submit its report for the year ended 31st March 2024.

Reference and Administrative Information

Name and Registered Office

The name of the charity is the RMIG Endowment Trust (the "Charity") and its principal office is located at 60 Great Queen Street, London, WC2B 5AZ.

Trustees

The Trustee who served during the whole of the year was:

- The Masonic Charitable Foundation ("MCF") (Corporate Trustee, Registered Charity No. 1164703, Company Number 09751836)

The trustees of the MCF who served during the year were:

- John Boyington, CBE (Resigned 31st July 2023)
- Sinead Brophy (Resigned 31st July 2023)
- Simon Duckworth, OBE, DL (Resigned 31st July 2023)
- Clive Emerson (Appointed Treasurer 1st August 2023)
- Dr Simon Fellerman
- Edward Goodchild (Appointed 1st August 2023)
- Alan Graham, MBE
- Antony Harvey (Resigned 31st July 2023)
- Christopher Head
- Michael Heenan (Treasurer) (Resigned 31st July 2023)
- James Long, TD (President) (Appointed Chairman 1st January 2024)
- Charlotte Miller (Appointed co-optee 1st August 2023)
- Stephen Robinson
- Marie Shenton (Appointed 1st August 2023)
- David Southern
- Bruce Walker
- Andrew Wauchope (Resigned 31st July 2023)
- Sir Paul Williams, OBE, KStJ, DL (Deputy President and Chairman to 31st December 2023)
- Howard Wilson

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

Executive

The Executive during the year to 31st March 2023 were:

- Les Hutchinson, Chief Executive
- Charles Angus, Group Finance Director
- Brenda Nurse, Company Secretary

Auditor

Knox Cropper LLP, Chartered Accountants, 65 Leadenhall Street, London, EC3A 2AD

Bankers

Barclays Bank Plc, Level 28, 1 Churchill Place, Canary Wharf, London, E14 5HP

Clydesdale Bank Plc, Unit 8, 3 The Chase, John Tate Road, Hertford, Herts SG13 7NN

Investment Advisors

Asset Risk Consultants Limited, 7 New Street, St. Peter Port, Guernsey, GY1 2PF

Investment Managers

CCLA, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Sarasin & Partners LLP, Juxon House, 100 St. Paul's Churchyard, London, EC4M 8BU

Royal London Asset Management Ltd., 55 Gracechurch Street, London, EC3V 0UF

Thesis Unit Trust Management Ltd, Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP

Waverton Investment Management Ltd., 16 Babmaes Street, St. James, London, SW1Y 6AH

Solicitors

Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

Wedlake Bell LLP, 71 Queen Victoria Street, London, EC4V 4AY

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

Structure, Governance and Management

Organisation

The Charity is governed under the terms of a trust deed dated 29th November 1984 which constitutes an unincorporated charity. The trust deed has been varied a number of times to accommodate changes in trustees, with a variation dated 5th April 2019 appointing the MCF and its chairman as Trustees of the Charity. Following the granting of trust corporation status to the MCF, the chairman resigned as a trustee of the Charity on 12th December 2019.

Governance and Management

The MCF is the sole trustee of the Charity. Details of the processes for the appointment, induction and training of the MCF's trustees are given in the annual report and accounts of that company.

All governance and management capabilities are provided by the MCF and details of the relevant committees and processes are provided in the annual report and accounts of that company. Trustees and committees of the MCF address the specific needs of the Charity as part of their roles and responsibilities for the MCF. The trustee board and the main committees meet as follows:

Board/Committee	Purpose	Meetings per year
Trustee Board	Main decision-making body with ultimate responsibility for the Charity	4
Audit and Risk	Identification and mitigation of risk, oversight of external audit	4
Finance	Ensuring adequate procedures are in place to manage all aspects of financial planning, controlling and reporting.	4
Investments	Maintaining investment strategies to meet the requirements of the Charity, appointment and monitoring of fund managers	4
Property	Development and execution of strategies to optimise the returns from the Charity's property portfolio	4
Strategy	Development and implementation of strategies to support the Charity's objectives.	4

The Charity does not employ any staff, with services being provided by staff employed by the MCF.

Objectives and Activities

The objects of the Charity

The primary purpose of the Charity was to apply its resources for any charitable purpose connected with the Royal Masonic School for Girls (the "School") or the education of its pupils who are daughters or adopted daughters of English Freemasons considered to be in need. The resources consist of funds donated by Freemasons to the Royal Masonic Institution for Girls and transferred by that charity to the trustees on establishment of the Charity on 29th November 1984, together with property and real estate at Rickmansworth Park which houses the School.

During the course of the previous year, the Trustee approved an amendment to the trust deed to widen support to all children, young women and young men who will be, are or have been educated at the School, and for any charitable purposes connected with the School and the education of its pupils. This variation was approved by the Charity Commission through a Scheme dated 24th January 2023.

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

The main activities

Since its establishment, a policy of the Charity has been to ensure the proper maintenance of the property and real estate to optimise the running of the School. The Charity provides scholarships and bursaries on a "need or means tested" basis to daughters or adopted daughters of Freemasons in accordance with the trust deed. This policy has now been extended to cover all children at the school, young women and men, with or without a masonic connection.

When setting the objectives and planning the work of the Charity for the year, the Trustee has given careful consideration to the Charity Commission's general guidance on public benefit. In meeting its objects, the trustee has been mindful of the public benefits which the Charity and the School can jointly provide to local, provincial and national organisations by the use of the grounds, sports facilities and the various halls and buildings.

During the previous year, the assets of the Cadogan Trust were transferred to the Endowment Trust, to be used to continue providing bursaries to six current students at the School. The funds received, amounting to £1.07 M, were placed into a separate restricted reserve.

Achievements and Performance

During the period, the Charity expended £5.10 M on supporting the School (2023: £2.66 M). Major areas of repair and refurbishment included: the garage/workshops building, great hall and D4 toilet block, together with stages 2 and 3 of the replacement of the district heating system and further removal of asbestos from the service tunnels.

£0.26 M was paid out in bursaries from the Cadogan Trust Bursary Fund to support six pupils at the School (2023: £0.11M).

Financial Review

Review of the Year

Unrestricted Fund

Income received of £1.05 M consisted mainly of £0.80 M rental from the School under the terms of the interim lease and £0.23 M interest on bank deposits.

Total expenditure for charitable purposes amounted to £5.32 M (2023: £2.76 M). A transfer of £2.7 M was received from the endowment fund. The deficit for the year of £1.57 M (2023: £2.20 M) was transferred to reserves.

Endowment Fund

Dividend income of £0.08 M (2023: £0.14 M) was generated from the investment portfolio with costs of £0.02 M (2023: £0.03 M).

Gains from the Charity's investment in the MCF CAIF amounted to £0.47 M (2023 losses: £0.33 M). £5.09 M was written back to the value of the social investment property (the buildings leased to the School)

following the repairs undertaken during the year, but a further provision of £3.50 M was made in recognition of the increased scope and cost required to complete the programme of backlog works.

Reserves Policy

As at the 31 March 2024 the total level of reserves was £12.49 M, of which £10.71 M related to endowment funds, £0.70 M to the Cadogan Bursary and the remainder of £1.07 M related to the working capital within the unrestricted general reserve.

The Charity's policy is to apply its resources for any charitable purpose connected with the School or the education of its pupils in accordance with the trust deed. The Charity has commissioned a report from a firm of professional surveyors to consider the condition of the School buildings in anticipation of a new tenant repairing lease, from which significant dilapidations have been identified for rectification. The expected cost for this is estimated at £21.50 M and full provision has been made for this against the value of the social investment property in the accounts. In order to provide increased availability of funds, the Trustee agreed to adopt a Total Return basis for utilising investment returns on 12th December 2019, replacing the previous policy of applying in-year income only for the purpose of supporting the School. The surplus over the original endowment has been transferred to a separate reserve for the total unapplied return.

The social investment property has been valued through the discounting of expected future lease payments using a yield of 5.5% as the cost of capital, less the residual value of the provision for backlog repairs. This provision is being released back to the endowment fund in line with the works being completed and charged to the unrestricted general reserve. The provision for backlog repairs is reviewed on an annual basis, and adjusted as required in accordance with the evolving cost for the planned works.

Investment Policy and Performance

The investment strategy was to provide sufficient income to support the Charity's primary objectives whilst maintaining its real value to ensure that purchasing power does not diminish in the long-term. The Trustee recognised that this required a medium to high risk asset allocation, with up to 85% of the portfolio invested in equities. Risk was mitigated through a diverse portfolio of fixed interest securities, equities, unit trusts and open-ended investment companies. Following the Trustee's decision to adopt a Total Return basis, the requirement to maximise the income component of the investment return was removed, and the Charity was able to adopt the MCF investment strategy and to transfer its funds to the MCF CAIF.

The MCF global investment strategy seeks to protect the capital value of investments that are required to fund operations for a two-year time horizon (the "Cash Reserve") and to invest all remaining funds for long term growth, on a total return basis, with an overall objective of making a return of CPI plus 3.5% net of all expenses.

The Cash Reserve is provided by Royal London Asset Management and utilises three of their funds, which provide a mix of instruments, including cash instruments, Treasury Bills, covered (secured) bonds, corporate bonds, Supranationals and mortgage-backed securities. The performance objectives of the three funds are:

- Short Term Money Market Fund: SONIA
- Short Term Fixed Income Fund: SONIA plus 0.50% gross of fees
- Short Term Fixed Income Enhanced Plus Fund: SONIA plus 1.00% gross of fees

Investment Policy and Performance (Continued)

The MCF sponsored the launch of the Masonic Charitable Foundation Investment Fund CAIF, which took place on 1st October 2018. This is a unit trust with a highly efficient tax wrapper in which the MCF and all its subsidiary charities own their shares in the form of units. Units will be sold as required in order to top up the Cash Reserve on a quarterly basis. The investment strategy is directed for "Steady Growth", which is a medium-high risk strategy. Risk is managed through diversification, with the funds split between four different fund managers operating on multi asset mandates but utilising differing investment management styles. The overall fund manager is Thesis Unit Trust Management Limited and the custodian in Northern Trust.

The strategic and actual asset allocations as at 31st March 2024 are shown in the following table:

Asset Class	Strategic Allocation	Benchmark	Actual 31st March 2024
Cash	0.00%	SONIA	2.44%
Fixed Income	7.50%	FTSE UK World Gov. Bond Index GBP	5.67%
International Equity	54.50%	MSCI World ex UK NR GBP	68.85%
U.K. Equity	18.00%	MSCI UK Equity NR GBP	12.69%
Emerging Market Equity	12.50%	MSCI Emerging Markets Equity NR GBP	2.85%
Alternative Investments	3.75%	HFRX Global Hedge Fund GBP	6.35%
Property	3.75%	IA UK Direct Property TR	1.15%
	100.00%		100.00%

Performance under the new arrangements is shown in the table below:

	MCF CAIF	RLAM Money Market	RLAM Short Term Fixed Income	RLAM Short Term Fixed Income Enhanced	CCLA Property Fund
Fund at 31st March 2024	£ 3.50 M	£ Nil	£ Nil	£ Nil	£ Nil
Investment approach	Steady Growth Multi-Asset	Capital Protection	Capital Protection	Capital Protection	Income & long-term Capital Growth
Benchmark	Composite	SONIA	SONIA	SONIA	MSCI/AREF UK other balanced property
Peer Group	ARC Charity GBP Steady Growth	None	None	None	ARC Charity GBP Steady Growth
Return for the year	16.20%	5.31%	5.69%	6.65%	0.50%
Benchmark return for year	14.70%	4.97%	4.97%	4.97%	(1.10)%
Peer group return for year	9.70%	4.30%	4.30%	4.30%	9.70%
3 year return	26.90%	2.58%	2.60%	2.31%	6.20%
3 year benchmark	25.40%	2.42%	2.42%	2.42%	(2.20)%
3 year peer group	11.90%	1.70%	1.70%	1.70%	11.90%

Investment Policy and Performance (Continued)

Stock markets had a very strong run in the final quarter of the financial year, resulting in an increase in the valuation of the MCF CAIF from its opening value of £126.25 to close at £146.47 per unit.

Principal Risks and Mitigation

The principal risks identified and agreed actions to mitigate are shown in the following table:

Risk	Consequence	Mitigation
Significant unexpected financial loss from operations	Reputational damage, loss of confidence with key stakeholders and impact upon continuing financial sustainability	Strong financial procedures, particularly budgetary planning and control. Oversight from the Finance Committee.
Inadequate liquidity to meet financial commitments	Poor service to beneficiaries and reputational damage. Withdrawal of key services from suppliers	Cash flow forecasting and liquidity planning within the Investment Strategy
Significant long-term loss in the value of the investment portfolio	Impacts financial sustainability and reputational damage with donors	Appointment of Asset Risk Consultants as expert investment advisors, providing monthly performance reporting and analysis. Oversight from investment and property committees.
Grants made outside the Charity's Objects and operating guidelines	Reputational damage, loss of confidence with key stakeholders and potential trustee liability	Strong procedures and controls for processing grants. Oversight from Masonic Support and Charity Grants committees
Cyberattack on IT systems	Operational disruption resulting in financial, reputational, legal and regulatory damage.	UGLE manage and monitor networks, servers and backup systems, and has deployed appropriate defence mechanisms e.g. firewalls, antivirus etc. Third party hosted systems /applications have relevant controls and security regimes. Information systems are only accessed via the VPN network and/or multi-factor authentication protocols. MCF's Information Security Group (ISG) have various digital & IT procedures and policies in place. Cyber awareness and training programme mandatory for all staff.
Data protection breach	Reputational damage and significant financial penalties	Data protection policy, IT security and HR policies in place
Fraud	Financial loss, reputational damage, adverse impact upon staff	Financial procedures, segregation of duties, authority limits, IT security, increased awareness amongst staff
Unavailability of office accommodation	Operations compromised	MCF Business Continuity Plan
Loss of paper records from fire/flooding	Breach of legal obligations, adverse impact upon operations, potential financial penalties	Reduced reliance on paper records with increased use of IT.
Lack of compliance with employment legislation	Breach of legal obligations, potential financial penalties, breakdown of staff morale and adverse impact upon service provision	HR procedures and staff handbook. Induction processes for new staff. Ongoing management training and Personal Development Review
Undue reliance on key persons	Operational breakdown, adverse impact upon staff morale, poor service to beneficiaries and potential reputational damage	HR procedures: organisational and succession planning. Comprehensive documentation of procedures and controls

Risks are actively monitored by the Executive and the senior leadership team, and formally reviewed by the audit and risk committee at their quarterly meetings.

Plans for Future Periods

The MCF plans to continue to operate the Charity in a prudent manner that meets the needs of its beneficiaries over the long term. It recognises the requirement to work closely with the School to resolve the backlog of repairs to its infrastructure that have built up over many years and will prioritise the execution of a 6-year plan to address these issues in a sustainable manner.

Following completion of the backlog works, the Charity will consult with the School to determine the most effective use of surplus income for supporting its operations and pupils.

RMIG ENDOWMENT TRUST

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

Statement of Responsibilities

The Trustee is responsible for preparing the trustee's report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (U.K. "GAAP").

The law applicable to charities in England and Wales, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed require the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that year.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

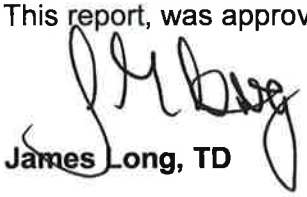
The Trustee is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. It is also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution proposing that Knox Cropper LLP be reappointed as auditor will be put to the members.

Approval by Trustee

This report, was approved by the Trustee on 12th September 2024 and signed on their behalf by



James Long, TD

President and Chairman, MCF

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RMIG ENDOWMENT FUND

We have audited the financial statements of the RMIG Endowment Fund (the "Charity") for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information.

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RMIG ENDOWMENT FUND

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustee's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the Trustee's Responsibilities Statement set out on page 12, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RMIG ENDOWMENT FUND

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for any restricted funds was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for any restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the Charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken, so that we might state to the Charity's trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustee as a body, for our audit work, for this report or for the opinions we have formed.

Knox Cropper LLP

Knox Cropper LLP
Statutory Auditor
65 Leadenhall Street
London EC3A 2AD
12th September 2024

Knox Cropper LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

RMIG ENDOWMENT TRUST

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2024

(Including an Income and Expenditure Account)

	Note	Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	Endowment funds 2024 £'000	Total Funds 2024 £'000	Total Funds 2023 £'000
INCOME						
Donations		0	0	0	0	1,066
Investment income	2	1,048	0	82	1,130	1,000
Total income		1,048	0	82	1,130	2,066
EXPENDITURE						
Investment management costs		0	0	(18)	(18)	(29)
		0	0	(18)	(18)	(29)
Charitable activities						
Masonic grants	3	0	0	0	0	4
Non-Masonic grants	3	(5,317)	(256)	0	(5,573)	(2,876)
		(5,317)	(256)	0	(5,573)	(2,872)
Total expenditure		(5,317)	(256)	(18)	(5,591)	(2,901)
Net gains/(losses) on investments	7	0	0	2,064	2,064	342
Net income/(expenditure)		(4,269)	(256)	2,128	(2,397)	(493)
Transfers between funds	10	2,700		(2,700)	0	0
NET MOVEMENT IN FUNDS		(1,569)	(256)	(572)	(2,397)	(493)
Total funds brought forward		2,642	956	11,283	14,881	15,374
Total funds carried forward		1,073	700	10,711	12,484	14,881

All income and expenditure derive from continuing activities and all gains/losses are included in the statement of financial activities

The notes on pages 19 to 28 form part of these financial statements. The prior year figures are analysed by fund in note 13 on page 27.

RMIG ENDOWMENT TRUST

BALANCE SHEET as at 31 March 2024

	Note	March 2024 £'000	March 2023 £'000
FIXED ASSETS			
Investment properties	6	5,212	3,620
Investments	7	3,497	5,661
		8,709	9,281
CURRENT ASSETS			
Debtors	8	995	1,432
Cash at bank and in hand		3,813	4,895
		4,808	6,327
CURRENT LIABILITIES			
Creditors falling due within one year	9	(939)	(439)
NET CURRENT ASSETS		3,869	5,888
TOTAL ASSETS LESS CURRENT LIABILITIES		12,578	15,169
Creditors falling due after one year	9	(94)	(288)
Total net assets		12,484	14,881
CHARITABLE FUNDS			
Endowment funds			
Permanent endowment	10	10,909	10,909
Total unapplied return	10	(198)	374
		10,711	11,283
Restricted funds			
Cadogan Trust	10	700	956
Unrestricted funds			
General reserves	10	1,073	2,642
Total charitable funds		12,484	14,881

The financial statements were approved and authorised for issue by the Trustee Board on 12th September 2024 and signed on their behalf by:

James Long, TD
Chairman

Clive Emerson
Treasurer

The notes on pages 19 to 28 form part of these financial statements

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2024

	Note	2024 £'000	2023 £'000
Operating Activities			
Net cash provided by/(used in) Operating Activities	A	(4,718)	(2,100)
Cash flows from investing activities			
Dividends and interest from investments		1,130	1,000
Proceeds from the sale of investments		2,700	1,700
Purchase of investments		0	0
Net cash provided by/(used in) Investing Activities		3,830	2,700
Cash flows from financing activities			
Bank loans (repaid)/taken out		(194)	(189)
Change in cash and cash equivalents in the reporting period		(1,082)	411
Cash and cash equivalents at the beginning of the reporting period		4,895	4,484
Cash and cash equivalents at the end of the reporting period	14	3,813	4,895

Notes on the cash flow statement

A **Reconciliation of net income/(expenditure) to net cash flow from operating activities**

Net movement in Funds as per the Statement of Financial Activities	(2,397)	(493)
Adjustments for:		
Impairment of investment property	(1,592)	(669)
Dividends, interest and rents from investments	(1,130)	(1,000)
Other movements in investments	(536)	215
Decrease/(increase) in debtors	437	(149)
Increase/(decrease) in creditors	500	(4)
Net cash provided by/(used in) Operating Activities	(4,718)	(2,100)

RMIG ENDOWMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

(a) **Statement of compliance**

The financial statements of the RMIG Endowment Trust (the "Charity") have been prepared in accordance with applicable UK accounting standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"). Additionally, they comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102 second edition) published in 2019 (the "SORP") in all material respects. The Charity meets the definition of a public benefit entity under FRS 102.

(b) **Basis of preparation**

The financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investments, on a basis consistent with previous years. The functional currency of the Charity is considered to be Pounds Sterling because that is the currency of the primary economic environment in which the Charity operates.

(c) **Going concern**

The Trustee has assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustee has made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustee of the Charity has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustee is of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

(d) **Incoming resources**

Revenue is recognised when the significant risks and rewards of ownership have been transferred, the amount of revenue can be measured reliably, it is probable that future economic benefits will flow to the Charity and when the specific criteria relating to each of the Charity's revenue channels have been met, as described below:

i. Rental and income is accounted for on an accruals basis under the terms of the lease with the School.
ii. Interest on fixed-interest securities is accounted for on an accruals basis.
iii. Dividends on equities are recognised on receipt of payment.

(d) **Resources expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of any obligation can be measured reliably. All resources expended are recognised on an accruals basis, with the exception of grants as noted below.

Grants are recognised as expenditure in the year in which the grant is formally approved by the Charity and has been communicated in writing to the recipient, except to the extent that it is subject to conditions that enable the Charity to revoke the award.

(e) **Allocation and apportionment of costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

(f) **Employee benefits**

All staff are employed by the parent charity, The Masonic Charitable Foundation. No charge is made to the Charity in respect of staff providing services to the Charity. No remuneration is paid to trustees and no expenses reimbursed.

(g) **Fund accounting**

Unrestricted funds may be utilised for any purpose in accordance with the charitable objectives of the Charity. The trustees took the decision at the end of the previous year to move the endowment fund to a total returns basis, resulting in a change of policy. Investment income and management fees are retained within the CAIF and the endowment fund. Withdrawals from the CAIF are transferred to the general fund from the total unapplied return section of the endowment fund.

(h) **Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are stated at market value. All realised and unrealised gains and losses are recognised within the Statement of Financial Activities. Investments which the Charity holds for resale or pending their sale and cash or cash equivalents with a maturity date of less than one year, which are held for investment purposes, are disclosed as current asset investments.

(i) **Financial assets and liabilities**

The Charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Financial assets and liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities which qualify as basic financial instruments are initially recognised at the settlement amount after any trade discounts. They are subsequently valued at amortised cost and assessed for impairment at the end of each reporting period. Where settlement is not expected within 12 months of the balance sheet date, then the asset or liability is discounted using the long term return of inflation plus 4 percent used as the target for the Charity's investment portfolio. Basic financial instruments include debtors, cash and creditors within the balance sheet.

(j) **Taxation**

The Charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and it is considered to pass the test set out in paragraph 1, schedule 6 of the Finance Act 2010, and therefore it meets the definition of a charity for U.K. Corporation Tax purposes. The Charity is unable to recover Valued Added Tax (VAT) incurred on expenditure. The amount of VAT that cannot be recovered is included within the underlying cost to which it relates.

(k) **Social Investment Property**

The social investment property has been valued through the discounting of expected future lease payments using a yield of 5.5% as the cost of capital, less the residual value of the provision for backlog repairs. This provision is being released back to the endowment fund in line with the works being completed and charged to the unrestricted general reserve. The provision for backlog repairs is reviewed on an annual basis, and adjusted as required in accordance with the evolving cost for the planned works. Gains or losses are recognised within the Statement of Financial Activities. No depreciation is provided on social investment properties.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

2. INVESTMENT INCOME

	Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	Endowment funds 2024 £'000	Total Funds 2024 £'000	Total Funds 2023 £'000
Interest on bank deposits	225	0	0	225	45
Income from investment portfolios	0	0	82	82	141
Rental income - Royal Masonic School	799	0	0	799	799
Rental income – other	10	0	0	10	6
Income – other	14	0	0	14	9
	1,048	0	82	1,130	1,000

3. CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	Endowment funds 2024 £'000	Total Funds 2024 £'000	Total Funds 2023 £'000
Masonic					
Foundation scholarships & bursaries	0	0	0	0	(4)
	0	0	0	0	(4)
Non-Masonic					
Foundation scholarships & bursaries	0	256	0	256	110
Property expenses	5,100	0	0	5,100	2,655
Support Costs	217	0	0	217	111
	5,317	256	0	5,573	2,876

4. SUPPORT COSTS

	Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	Endowment funds 2024 £'000	Total Funds 2024 £'000	Total Funds 2023 £'000
Interest and bank charges	13	0	0	13	19
Legal and administrative	195	0	0	195	82
Governance costs	9	0	0	9	10
	217	0	0	217	111

5. STAFF COSTS

The Charity employed no staff during the year (2023: None). No staff recharges have been made from the MCF to the Charity.

No Trustee received remuneration from the Charity during the year (2023: £ Nil). No Trustee's expenses were incurred during the year (2023: £ Nil).

6. SOCIAL INVESTMENT PROPERTY

	March 2024 £'000	March 2023 £'000
Balance at 1 April 2023	3,620	2,951
Additional provision for backlog repairs	(3,500)	(1,986)
Utilisation of provision for backlog repairs	5,092	2,655
Balance at 31 March 2024	5,212	3,620

7. INVESTMENTS

	March 2024 £'000	March 2023 £'000
Fixed Asset Investments:		
- Managed Funds		
MCF CAIF	3,497	5,661
	3,497	5,661

MOVEMENTS IN INVESTMENTS

Listed

Balance at 1 April 2023	5,661	7,576
Additions	0	0
Disposals	(2,700)	(1,700)
Investment income reinvested	82	141
Management fees charged to the fund	(18)	(29)
Gains/(losses)	472	(327)
Balance at 31 March 2024	3,497	5,661

RECONCILIATION TO SOFA

Gains on listed investments	472	(327)
Provision for backlog repairs on social investment property	1,592	669
	2,064	342

8. DEBTORS

	March 2024 £'000	March 2023 £'000
Prepayments and accrued income	995	1,432
	995	1,432

9. CREDITORS

	March 2024 £'000	March 2023 £'000
Falling due within one year		
Bank loans and overdrafts	193	193
Trade creditors	737	234
Accruals	9	12
	939	439

9. Falling due after more than one year

	March 2024 £'000	March 2023 £'000
Bank loans	94	288
	94	288

A new bank loan was taken out on 7th April 2021 for an amount of £835,817. It is repayable in 52 monthly instalments ending 10th August 2025. Interest is chargeable at a fixed rate of 3.31%

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

10. **MOVEMENT IN FUNDS**

	Balance at 1 April 2023 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	Balance at 31 March 2024 £'000
Endowment funds						
Permanent endowment	10,909	0	0	0	0	10,909
Total unapplied return	374	82	(18)	2,064	(2,700)	(198)
	11,283	82	(18)	2,064	(2,700)	10,711
Restricted funds						
General reserves:						
Cadogan	956	0	(256)	0	0	700
Unrestricted funds						
General reserves	2,642	1,048	(5,317)	0	2,700	1,073
	2,642	1,048	(5,317)	0	2,700	1,073
Total funds	14,881	1,130	(5,591)	2,064	0	12,484

PRIOR YEAR

	Balance at 1 April 2022 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	Balance at 31 March 2023 £'000
Endowment funds						
Permanent endowment	10,909	0	0	0	0	10,909
Total unapplied return	(380)	141	(29)	342	300	374
	10,529	141	(29)	342	300	11,283
Restricted funds						
General reserves:						
Cadogan	0	1,066	(110)	0	0	956
Unrestricted funds						
General reserves	4,845	859	(2,762)	0	(300)	2,642
	4,845	859	(2,762)	0	(300)	2,642
Total funds	15,374	2,066	(2,901)	342	0	14,881

11. ASSETS AND LIABILITIES

	Investment Properties £'000	Investments £'000	Current Assets £'000	Liabilities & Provisions £'000	Fund Total £'000
Endowment funds					
Permanent endowment	909	10,000	0	0	10,909
Total unapplied return	4,303	(6,503)	2,002	0	(198)
	5,212	3,497	2,002	0	10,711
Restricted funds					
General reserves: Cadogan	0	0	700	0	700
Unrestricted funds					
General reserves	0	0	2,106	(1,033)	1,073
	0	0	2,106	(1,033)	1,073
Total funds	5,212	3,497	4,808	(1,033)	12,484

PRIOR YEAR	Investment Properties £'000	Investments £'000	Current Assets £'000	Liabilities & Provisions £'000	Fund Total £'000
Endowment funds					
Permanent endowment	909	10,000	0	0	10,909
Total unapplied return	2,711	(4,339)	2,002	0	374
	3,620	5,661	2,002	0	11,283
Restricted funds					
General reserves: Cadogan	0	0	956	0	956
Unrestricted funds					
General reserves	0	0	3,369	(727)	2,642
	0	0	3,369	(727)	2,642
Total funds	3,620	5,661	6,327	(727)	14,881

12. RELATED PARTY DISCLOSURES

As described in the trustees report the Charity has a close working relationship with the Royal Masonic School for Girls (the "School"). Two trustees of the ultimate holding company are also governors of the School. At the balance sheet date, a total amount of £Nil due from the Charity to the School (2023: £Nil) was included in other creditors (note 9). The Charity executed a long-term lease with the School on 16th June 2023, and the terms of this document have been used for the purpose of valuing the social investment property as per note 6 of the financial statements.

13. STATEMENT OF FINANCIAL ACTIVITIES (Including an Income and Expenditure Account) — 12 MONTHS ENDED 31 MARCH 2023

	Note	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Endowment funds 2023 £'000	Total Funds 2023 £'000
INCOME					
Donations		0	1,066	0	1,066
Investment income	2	859	0	141	1,000
Total income		859	1,066	141	2,066
EXPENDITURE					
Investment management costs		0	0	(29)	(29)
		0		(29)	(29)
Charitable activities					
Masonic grants	3	4	0	0	4
Non-Masonic grants	3	(2,766)	(110)	0	(2,876)
		(2,762)	(110)	0	(2,872)
Total expenditure		(2,762)	(110)	(29)	(2,901)
Net gains/(losses) on investments	7	0	0	342	342
Net income/(expenditure)		(1,903)	956	454	(493)
Transfers between funds	9	(300)	0	300	0
NET MOVEMENT IN FUNDS		(2,203)	956	754	(493)
Total funds brought forward		4,845	0	10,529	15,374
Total funds carried forward		2,642	956	11,283	14,881

14. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS LESS DEBT

	At 1 April 2023 £'000	Cash Flow £'000	Non-Cash Changes £'000	At 31 March 2024 £'000
Cash and cash equivalents				
Cash at bank and in hand	4,895	(1,082)	0	3,813
	4,895	(1,082)	0	3,813
Borrowings				
Bank loans due within one year	(193)	194	(194)	(193)
Bank loans due after one year	(288)	0	194	(94)
	(481)	194	0	(287)
Total cash and cash equivalents less debt	4,414	(888)	0	3,526

15. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Masonic Charitable Foundation (Registered Charity No. 1164703, Company Number 09751836), which is the sole member of the company. Consolidated accounts for the MCF, which include the accounts of the Charity, can be obtained from the registered office of the Charity.

THE RMIG ENDOWMENT TRUST

England & Wales - Charity number 290883

Accounts

RMIG ENDOWMENT TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Charity Number: 290883

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RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

The trustee is pleased to submit its report for the year ended 31st March 2023.

Reference and Administrative Information

Name and Registered Office

The name of the charity is the RMIG Endowment Trust (the "Charity") and its principal office is located at 60 Great Queen Street, London, WC2B 5AZ.

Trustees

The trustee who served during the whole of the year was:

- The Masonic Charitable Foundation ("MCF") (Corporate Trustee, Registered Charity No. 1164703, Company Number 09751836)

The trustees of the MCF who served during the year were:

- John Boyington, CBE
- Sinead Brophy
- Charles A.G. Cunnington (Resigned 1st August 2022)
- Simon D'O. Duckworth, OBE, DL
- Clive Emerson
- Dr Simon Fellerman
- Alan P. Graham, MBE
- Antony D.G. Harvey
- Christopher Head
- Michael R. Heenan (Treasurer)
- Richard M. Hone, QC (President) (Resigned 28th April 2022)
- James M. Long (President) (Appointed 28th April 2022)
- Stephen Robinson
- David Southern
- Nigel J. Vaughan (Resigned 1st August 2022)
- Andrew G. Wauchope
- Sir Paul Williams, OBE, KStJ, DL (Deputy President and Chairman)
- Howard G. Wilson
- Bruce G. Walker (Appointed 1 August 2022)

TRUSTEE'S ANNUAL REPORT

Executive

The Executive during the year to 31st March 2023 were:

- Les Hutchinson, Chief Executive
- Charles Angus, Group Finance Director
- Brenda Nurse, Company Secretary

Auditor

Knox Cropper LLP, Chartered Accountants, 65 Leadenhall Street, London, EC3A 2AD

Bankers

Barclays Bank Plc, Level 28, 1 Churchill Place, Canary Wharf, London, E14 5HP

Clydesdale Bank Plc, Unit 8, 3 The Chase, John Tate Road, Hertford, Herts SG13 7NN

Investment Advisors

Asset Risk Consultants Limited, 7 New Street, St. Peter Port, Guernsey, GY1 2PF

Investment Managers

CCLA, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Sarasin & Partners LLP, Juxon House, 100 St. Paul's Churchyard, London, EC4M 8BU

Royal London Asset Management Ltd., 55 Gracechurch Street, London, EC3V 0UF

Thesis Unit Trust Management Ltd, Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP

Waverton Investment Management Ltd., 16 Babmaes Street, St. James, London, SW1Y 6AH

Solicitors

Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

Wedlake Bell LLP, 71 Queen Victoria Street, London, EC4V 4AY

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

Structure, Governance and Management

Organisation

The Charity is governed under the terms of a trust deed dated 29th November 1984 which constitutes an unincorporated charity. The trust deed has been varied a number of times to accommodate changes in trustees, with a variation dated 5th April 2019 appointing the MCF and its chairman as trustees of the Charity. Following the granting of trust corporation status to the MCF, the chairman resigned as a trustee of the Charity on 12th December 2019.

Governance and Management

The MCF is the sole trustee of the Charity. Details of the processes for the appointment, induction and training of the MCF's trustees are given in the annual report and accounts of that company.

All governance and management capabilities are provided by the MCF and details of the relevant committees and processes are provided in the annual report and accounts of that company. Trustees and committees of the MCF address the specific needs of the Charity as part of their roles and responsibilities for the MCF. The trustee board and the main committees meet as follows:

Board/Committee	Purpose	Meetings per year
Trustee Board	Main decision-making body with ultimate responsibility for the Charity	4
Audit and Risk	Identification and mitigation of risk, oversight of external audit	4
Finance	Ensuring adequate procedures are in place to manage all aspects of financial planning, controlling and reporting.	4
Investments	Maintaining investment strategies to meet the requirements of the Charity, appointment and monitoring of fund managers	4
Property	Development and execution of strategies to optimise the returns from the Charity's property portfolio	4
Strategy	Development and implementation of strategies to support the Charity's objectives.	4

The Charity does not employ any staff, with services being provided by staff employed by the MCF.

Objectives and Activities

The objects of the Charity

The primary purpose of the Charity was to apply its resources for any charitable purpose connected with the Royal Masonic School for Girls (the "School") or the education of its pupils who are daughters or adopted daughters of English Freemasons considered to be in need. The resources consist of funds donated by Freemasons to the Royal Masonic Institution for Girls and transferred by that charity to the trustees on establishment of the Charity on 29th November 1984, together with property and real estate at Rickmansworth Park which houses the School.

During the course of the year, the trustees approved an amendment to the trust deed to widen support to all children, young women and young men who will be, are or have been educated at the School, and for any charitable purposes connected with the School and the education of its pupils. This variation was approved by the Charity Commission through a Scheme dated 24th January 2023.

TRUSTEE'S ANNUAL REPORT

The main activities

Since its establishment, a policy of the Charity has been to ensure the proper maintenance of the property and real estate to optimise the running of the School. The Charity provides scholarships and bursaries on a "need or means tested" basis to daughters or adopted daughters of Freemasons in accordance with the trust deed. This policy has now been extended to cover all children at the school, young women and men, with or without a masonic connection.

When setting the objectives and planning the work of the Charity for the year, the trustee has given careful consideration to the Charity Commission's general guidance on public benefit. In meeting its objects, the trustee has been mindful of the public benefits which the Charity and the School can jointly provide to local, provincial and national organisations by the use of the grounds, sports facilities and the various halls and buildings.

During the year, the assets of the Cadogan Trust were transferred to the Endowment Trust, to be used to continue providing bursaries to six current students at the School. The funds received, amounting to £1.07 M, were placed into a separate restricted reserve.

Achievements and Performance

During the period, the Charity expended £2.66 M on supporting the School (2022: £3.17 M). Major areas of repair and refurbishment included: completion of the refurbishment of the ceiling and roof of the dining hall, the C2 re-roofing project, the first stage of the replacement of the main school district heating system, enabling projects for the great hall and further removal of asbestos from the service tunnels.

£0.11 M was paid out in bursaries from the Cadogan Trust Bursary Fund to support six pupils at the School.

Financial Review

Review of the Year

Unrestricted Fund

Income received of £0.86 M consisted mainly of £0.80 M rental from the School under the terms of the interim lease and £0.05 M interest on bank deposits. The £1.87 M rental income from the School in the prior year covered the period from 1st March 2020 to 31st March 2022 following agreement of the heads of terms for the new leases in that year.

Total expenditure for charitable purposes amounted to £2.76 M (2022: £3.22 M). A transfer of £0.3 M was made to the endowment fund. The deficit for the year of £2.20 M (2022 surplus: £3.85 M) was transferred to reserves.

Endowment Fund

Dividend income of £0.14 M (2022: £0.16 M) was generated from the investment portfolio with costs of £0.03 M (2022: £0.05 M).

Losses from the Charity's investment in the MCF CAIF amounted to £0.33 M (2022 gains: £1.01 M). £2.66 M was written back to the value of the social investment property (the buildings leased to the School)

following the repairs undertaken during the year, but a further provision of £1.99 M was made in recognition of the increased scope and cost required to complete the programme of backlog works.

Reserves Policy

As at the 31 March 2023 the total level of reserves was £14.88 M, of which £11.28 M related to endowment funds, £0.96 M to the Cadogan Bursary and the remainder of £2.64 M related to the working capital within the unrestricted general reserve.

The Charity's policy is to apply its resources for any charitable purpose connected with the School or the education of its pupils in accordance with the trust deed. The Charity has commissioned a report from a firm of professional surveyors to consider the condition of the School buildings in anticipation of a new tenant repairing lease, from which significant dilapidations have been identified for rectification. The expected cost for this is estimated at £18.00 M and full provision has been made for this against the value of the social investment property in the accounts. In order to provide increased availability of funds, the trustee board agreed to adopt a Total Return basis for utilising investment returns on 12th December 2019, replacing the previous policy of applying in-year income only for the purpose of supporting the School. The surplus over the original endowment has been transferred to a separate reserve for the total unapplied return.

The social investment property has been valued through the discounting of expected future lease payments using a yield of 5.5% as the cost of capital, less the residual value of the provision for backlog repairs. This provision is being released back to the endowment fund in line with the works being completed and charged to the unrestricted general reserve. The provision for backlog repairs is reviewed on an annual basis, and adjusted as required in accordance with the evolving cost for the planned works.

Investment Policy and Performance

The investment strategy was to provide sufficient income to support the Charity's primary objectives whilst maintaining its real value to ensure that purchasing power does not diminish in the long-term. The trustee recognised that this required a medium to high risk asset allocation, with up to 85% of the portfolio invested in equities. Risk was mitigated through a diverse portfolio of fixed interest securities, equities, unit trusts and open-ended investment companies. Following the trustee's decision to adopt a Total Return basis, the requirement to maximise the income component of the investment return was removed, and the Charity was able to adopt the MCF investment strategy and to transfer its funds to the MCF CAIF.

The MCF global investment strategy seeks to protect the capital value of investments that are required to fund operations for a two-year time horizon (the "Cash Reserve") and to invest all remaining funds for long term growth, on a total return basis, with an overall objective of making a return of RPI plus 3% net of all expenses.

The Cash Reserve is provided by Royal London Asset Management and utilises three of their funds, which provide a mix of instruments, including cash instruments, Treasury Bills, covered (secured) bonds, corporate bonds, Supranationals and mortgage-backed securities. The performance objectives of the three funds are:

- Short Term Money Market Fund: SONIA
- Short Term Fixed Income Fund: SONIA plus 0.50% gross of fees
- Short Term Fixed Income Enhanced Plus Fund: SONIA plus 1.00% gross of fees

TRUSTEE'S ANNUAL REPORT

Investment Policy and Performance (Continued)

The MCF sponsored the launch of the Masonic Charitable Foundation Investment Fund CAIF, which took place on 1st October 2018. This is a unit trust with a highly efficient tax wrapper in which the MCF and all its subsidiary charities own their shares in the form of units. Units will be sold as required in order to top up the Cash Reserve on a quarterly basis. The investment strategy is directed for "Steady Growth", which is a medium-high risk strategy. Risk is managed through diversification, with the funds split between four different fund managers operating on multi asset mandates but utilising differing investment management styles. The overall fund manager is Thesis Unit Trust Management Limited and the custodian in Northern Trust.

The asset allocation for the CAIF was amended on 30th June 2022 by the investment committee following advice from Asset Risk Consultants. The strategic and actual asset allocations as at 31st March 2023 are shown in the following table:

Asset Class	Strategic Allocation	Benchmark	Actual 31st March 2023
Cash	0.00%	SONIA	2.90%
Fixed Income	7.50%	FTSE UK World Gov. Bond Index GBP	8.80%
International Equity	54.50%	MSCI World ex UK NR GBP	59.20%
U.K. Equity	18.00%	MSCI UK Equity NR GBP	18.10%
Emerging Market Equity	12.50%	MSCI Emerging Markets Equity NR GBP	3.20%
Alternative Investments	3.75%	HFRX Global Hedge Fund GBP	5.90%
Property	3.75%	IA UK Direct Property TR	1.90%
	100.00%		100.0%

Performance under the new arrangements is shown in the table overleaf. Note that performance for periods before launch on 1st October 2018 is derived from the historical returns of the constituent fund managers:

Investment Policy and Performance (Continued)

	MCF CAIF	RLAM Money Market	RLAM Short Term Fixed Income	RLAM Short Term Fixed Income Enhanced	CCLA
Fund at 31st March 2023	£5.66 M	£ Nil	£ Nil	£ Nil	£ Nil
Investment approach	Steady Growth Multi-Asset	Capital Protection	Capital Protection	Capital Protection	Income & long-term Capital Growth
Benchmark	Composite	SONIA	SONIA	SONIA	MSCI/AREF UK other balanced property
Peer Group	ARC Charity GBP Steady Growth	None	None	None	ARC Charity GBP Steady Growth
Return for the year	(1.00)%	2.27%	2.13%	0.90%	(11.40)%
Benchmark return for year	(1.00)%	2.23%	2.23%	2.23%	(10.60)%
Peer group return for year	(4.10)%	N/A	N/A	N/A	(4.10)%
3 year return	39.60%	0.79%	1.04%	0.83%	8.80%
3 year benchmark	37.70%	0.80%	0.80%	0.80%	(6.30)%
3 year peer group	26.40%	N/A	N/A	N/A	26.40%

The CAIF had a volatile year due to challenging financial markets, falling from its opening value of £129.73 to close at £126.25 per unit.

TRUSTEE'S ANNUAL REPORT

Principal Risks and Mitigation

The principal risks identified and agreed actions to mitigate are shown in the following table:

Risk	Consequence	Mitigation
Significant unexpected financial loss from operations	Reputational damage, loss of confidence with key stakeholders and impact upon continuing financial sustainability	Strong financial procedures, particularly budgetary planning and control. Oversight from the Finance Committee.
Inadequate liquidity to meet financial commitments	Poor service to beneficiaries and reputational damage. Withdrawal of key services from suppliers	Cash flow forecasting and liquidity planning within the Investment Strategy
Significant long-term loss in the value of the investment portfolio	Impacts financial sustainability and reputational damage with donors	Appointment of Asset Risk Consultants as expert investment advisors, providing monthly performance reporting and analysis. Oversight from investment and property committees.
Grants made outside the Charity's Objects and operating guidelines	Reputational damage, loss of confidence with key stakeholders and potential trustee liability	Strong procedures and controls for processing grants. Oversight from Masonic Support and Charity Grants committees
Cyberattack on IT systems	All key operations are compromised	United Grand Lodge of England ("UGLE") and IT network providers have strong security procedures in place covering access, protection, backups and disaster recovery facilities. Mandatory cybersecurity training in place for all staff
Data protection breach	Reputational damage and significant financial penalties	Data protection policy, IT security and HR policies in place
Fraud	Financial loss, reputational damage, adverse impact upon staff	Financial procedures, segregation of duties, authority limits, IT security, increased awareness amongst staff
Unavailability of office accommodation	Operations compromised	UGLE Business Continuity Plan
Loss of paper records from fire/flooding	Breach of legal obligations, adverse impact upon operations, potential financial penalties	Reduced reliance on paper records with increased use of IT.
Lack of compliance with employment legislation	Breach of legal obligations, potential financial penalties, breakdown of staff morale and adverse impact upon service provision	HR procedures and staff handbook. Induction processes for new staff. Ongoing management training and Personal Development Review
Undue reliance on key persons	Operational breakdown, adverse impact upon staff morale, poor service to beneficiaries and potential reputational damage	HR procedures: organisational and succession planning. Comprehensive documentation of procedures and controls

Risks are actively monitored by the Executive and the senior leadership team, and formally reviewed by the audit and risk committee at their biannual meetings.

Plans for Future Periods

The MCF plans to continue to operate the Charity in a prudent manner that meets the needs of its beneficiaries over the long term. It recognises the requirement to work closely with the School to resolve the backlog of repairs to its infrastructure that have built up over many years and will prioritise the execution of a 6-year plan to address these issues in a sustainable manner.

Following completion of the backlog works, the Charity will consult with the School to determine the most effective use of surplus income for supporting its operations and pupils.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

Statement of Responsibilities

The trustee is responsible for preparing the trustee's report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (U.K. "GAAP").

The law applicable to charities in England and Wales, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed require the trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that year.

In preparing these financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

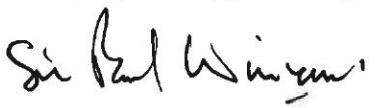
The trustee is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. It is also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution proposing that Knox Cropper LLP be reappointed as auditor will be put to the members.

Approval by Trustee

This report, was approved by the trustee on 14th September 2023 and signed on their behalf by



Sir Paul Williams, OBE, KStJ, DL

Chairman, MCF

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RMIG ENDOWMENT FUND

We have audited the financial statements of the RMIG Endowment Fund (the "Charity") for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information.

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RMIG ENDOWMENT FUND

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the Trustee's Responsibilities Statement set out on page 12, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RMIG ENDOWMENT FUND

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for any restricted funds was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for any restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the Charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken, so that we might state to the Charity's trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustee as a body, for our audit work, for this report or for the opinions we have formed.

Knox Cropper LLP

Knox Cropper LLP
Statutory Auditor
65 Leadenhall Street
London EC3A 2AD
15th September 2023

Knox Cropper LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2023

(Including an Income and Expenditure Account)

	Note	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Endowment funds 2023 £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
INCOME						
Donations		0	1,066	0	1,066	0
Investment income	2	859	0	141	1,000	2,032
Total income		859	1,066	141	2,066	2,032
EXPENDITURE						
Investment management costs		0	0	(29)	(29)	(48)
		0	0	(29)	(29)	(48)
Charitable activities						
Masonic grants	3	4	0	0	4	0
Non-Masonic grants	3	(2,766)	(110)	0	(2,876)	(3,222)
		(2,762)	(110)	0	(2,872)	(3,222)
Total expenditure		(2,762)	(110)	(29)	(2,901)	(3,270)
Net gains/(losses) on investments	7	0	0	342	342	1,823
Net income/(expenditure)		(1,903)	956	454	(493)	585
Transfers between funds	10	(300)	0	300	0	0
NET MOVEMENT IN FUNDS		(2,203)	956	754	(493)	585
Total funds brought forward		4,845	0	10,529	15,374	14,789
Total funds carried forward		2,642	956	11,283	14,881	15,374

All income and expenditure derive from continuing activities and all gains/losses are included in the statement of financial activities

The notes on pages 19 to 28 form part of these financial statements. The prior year figures are analysed by fund in note 13 on page 27.

RMIG ENDOWMENT TRUST

BALANCE SHEET as at 31 March 2023

	Note	March 2023 £'000	March 2022 £'000
FIXED ASSETS			
Investment properties	6	3,620	2,951
Investments	7	5,661	7,576
		9,281	10,527
CURRENT ASSETS			
Debtors	8	1,432	1,283
Cash at bank and in hand		4,895	4,484
		6,327	5,767
CURRENT LIABILITIES			
Creditors falling due within one year	9	(439)	(443)
NET CURRENT ASSETS		5,888	5,324
TOTAL ASSETS LESS CURRENT LIABILITIES		15,169	15,851
Creditors falling due after one year	9	(288)	(477)
Total net assets		14,881	15,374
CHARITABLE FUNDS			
Endowment funds			
Permanent endowment	10	10,909	10,909
Total unapplied return	10	374	(380)
		11,283	10,529
Restricted funds			
Cadogan Trust	10	956	0
Unrestricted funds			
General reserves	10	2,642	4,845
Total charitable funds		14,881	15,374

The financial statements were approved and authorised for issue by the Trustee Board on 15th September 2022 and signed on their behalf by:

Sir Paul Williams, OBE, DL
Chairman

Clive Emerson
Treasurer

The notes on pages 19 to 28 form part of these financial statements

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2023

	Note	2023 £'000	2022 £'000
Operating Activities			
Net cash provided by/(used in) Operating Activities	A	(2,100)	(5,157)
Cash flows from investing activities			
Dividends and interest from investments		1,000	2,032
Proceeds from the sale of investments		1,700	5,200
Purchase of investments		0	0
Net cash provided by/(used in) Investing Activities		2,700	7,232
Cash flows from financing activities			
Bank loans (repaid)/taken out		(189)	670
Change in cash and cash equivalents in the reporting period		411	2,745
Cash and cash equivalents at the beginning of the reporting period		4,484	1,739
Cash and cash equivalents at the end of the reporting period	14	4,895	4,484

Notes on the cash flow statement

A **Reconciliation of net income/(expenditure) to net cash flow from operating activities**

Net movement in Funds as per the Statement of Financial Activities	(493)	585
Adjustments for:		
Impairment of investment property	(669)	(813)
Dividends, interest and rents from investments	(1,000)	(2,032)
Other movements in investments	215	(1,117)
(Increase) in debtors	(149)	(1,283)
(Decrease) in creditors	(4)	(497)
Net cash provided by/(used in) Operating Activities	(2,100)	(5,157)

1. ACCOUNTING POLICIES

(a) Statement of compliance

The financial statements of the RMIG Endowment Trust (the "Charity") have been prepared in accordance with applicable UK accounting standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"). Additionally, they comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102 second edition) published in 2019 (the "SORP") in all material respects. The Charity meets the definition of a public benefit entity under FRS 102.

(b) Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investments, on a basis consistent with previous years. The functional currency of the Charity is considered to be Pounds Sterling because that is the currency of the primary economic environment in which the Charity operates.

(c) Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustees of the Charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

(d) Incoming resources

Revenue is recognised when the significant risks and rewards of ownership have been transferred, the amount of revenue can be measured reliably, it is probable that future economic benefits will flow to the Charity and when the specific criteria relating to each of the Charity's revenue channels have been met, as described below:

i. Rental and income is accounted for on an accruals basis under the terms of the lease with the School.
ii. Interest on fixed-interest securities is accounted for on an accruals basis.
iii. Dividends on equities are recognised on receipt of payment.

(d) **Resources expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of any obligation can be measured reliably. All resources expended are recognised on an accruals basis, with the exception of grants as noted below.

Grants are recognised as expenditure in the year in which the grant is formally approved by the Charity and has been communicated in writing to the recipient, except to the extent that it is subject to conditions that enable the Charity to revoke the award.

(e) **Allocation and apportionment of costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

(f) **Employee benefits**

All staff are employed by the parent charity, The Masonic Charitable Foundation. No charge is made to the Charity in respect of staff providing services to the Charity. No remuneration is paid to trustees and no expenses reimbursed.

(g) **Fund accounting**

Unrestricted funds may be utilised for any purpose in accordance with the charitable objectives of the Charity. The trustees took the decision at the end of the previous year to move the endowment fund to a total returns basis, resulting in a change of policy. Investment income and management fees are retained within the CAIF and the endowment fund. Withdrawals from the CAIF are transferred to the general fund from the total unapplied return section of the endowment fund.

(h) **Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are stated at market value. All realised and unrealised gains and losses are recognised within the Statement of Financial Activities. Investments which the Charity holds for resale or pending their sale and cash or cash equivalents with a maturity date of less than one year, which are held for investment purposes, are disclosed as current asset investments.

(i) **Financial assets and liabilities**

The Charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Financial assets and liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities which qualify as basic financial instruments are initially recognised at the settlement amount after any trade discounts. They are subsequently valued at amortised cost and assessed for impairment at the end of each reporting period. Where settlement is not expected within 12 months of the balance sheet date, then the asset or liability is discounted using the long term return of inflation plus 4 percent used as the target for the Charity's investment portfolio. Basic financial instruments include debtors, cash and creditors within the balance sheet.

(j) **Taxation**

The Charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and it is considered to pass the test set out in paragraph 1, schedule 6 of the Finance Act 2010, and therefore it meets the definition of a charity for U.K. Corporation Tax purposes. The Charity is unable to recover Valued Added Tax (VAT) incurred on expenditure. The amount of VAT that cannot be recovered is included within the underlying cost to which it relates.

(k) **Social Investment Property**

The social investment property has been valued through the discounting of expected future lease payments using a yield of 5.5% as the cost of capital, less the residual value of the provision for backlog repairs. This provision is being released back to the endowment fund in line with the works being completed and charged to the unrestricted general reserve. The provision for backlog repairs is reviewed on an annual basis, and adjusted as required in accordance with the evolving cost for the planned works. Gains or losses are recognised within the Statement of Financial Activities. No depreciation is provided on social investment properties.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

2. **INVESTMENT INCOME**

	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Endowment funds 2023 £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
Interest on bank deposits	45	0	0	45	4
Income from investment portfolios	0	0	141	141	156
Rental income - Royal Masonic School	799	0	0	799	1,872
Rental income - other	6	0	0	6	0
Income - other	9	0	0	9	0
	859	0	141	1,000	2,032

3. **CHARITABLE ACTIVITIES**

	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Endowment funds 2023 £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
Masonic					
Foundation scholarships & bursaries	(4)	0	0	(4)	0
	(4)	0	0	(4)	0
Non-Masonic					
Foundation scholarships & bursaries	0	110	0	110	0
Property expenses	2,655	0	0	2,655	3,172
Support Costs	111	0	0	111	50
	2,766	110	0	2,876	3,222

4. **SUPPORT COSTS**

	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Endowment funds 2023 £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
Interest and bank charges	19	0	0	19	23
Governance costs	92	0	0	92	27
	111	0	0	111	50

5. **STAFF COSTS**

The Charity employed no staff during the year (2022: None). No staff recharges have been made from the MCF to the Charity.

No trustees received remuneration from the Charity during the year (2022: £ Nil). No trustees' expenses were incurred during the year (2022: £ Nil).

6. SOCIAL INVESTMENT PROPERTY

	March 2023 £'000	March 2022 £'000
Balance at 1 April 2022	2,951	2,138
Additional provision for backlog repairs	(1,986)	(2,401)
Utilisation of provision for backlog repairs	2,655	3,214
Balance at 31 March 2023	3,620	2,951

7. INVESTMENTS

	March 2023 £'000	March 2022 £'000
Fixed Asset Investments:		
- Managed Funds		
MCF CAIF	5,661	7,576
	5,661	7,576

MOVEMENTS IN INVESTMENTS

Listed

Balance at 1 April 2022	7,576	11,659
Additions	0	0
Disposals	(1,700)	(5,200)
Investment income reinvested	141	156
Management fees charged to the fund	(29)	(48)
Gains/(losses)	(327)	1,009
Balance at 31 March 2023	5,661	7,576

RECONCILIATION TO SOFA

Gains on listed investments	(327)	1,009
Provision for backlog repairs on social investment property	669	814
	342	1,823

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

8. **DEBTORS**

	March 2023 £'000	March 2022 £'000
Prepayments and accrued income	1,432	1,265
Amounts owed by group undertakings	0	18
	1,432	1,283

9. **CREDITORS**

	March 2023 £'000	March 2022 £'000
Falling due within one year		
Bank loans and overdrafts	193	193
Trade creditors	234	233
Accruals	12	17
	439	443

9. **Falling due after more than one year**

	March 2023 £'000	March 2022 £'000
Bank loans	288	477
	288	477

A new bank loan was taken out on 7th April 2021 for an amount of £835,817. It is repayable in 52 monthly instalments ending 10th August 2025. Interest is chargeable at a fixed rate of 3.31%

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

10. **MOVEMENT IN FUNDS**

	Balance at 1 April 2022 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	Balance at 31 March 2023 £'000
Endowment funds						
Permanent endowment	10,909	0	0	0	0	10,909
Total unapplied return	(380)	141	(29)	342	300	374
	10,529	141	(29)	342	300	11,283
Restricted funds						
Cadogan Bursary	0	1,066	(110)	0	0	956
Unrestricted funds						
General reserves	4,845	859	(2,762)	0	(300)	2,642
	4,845	859	(2,762)	0	(300)	2,642
Total funds	15,374	2,066	(2,901)	342	0	14,881

PRIOR YEAR

	Balance at 1 April 2021 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	Balance at 31 March 2022 £'000
Endowment funds						
Permanent endowment	10,909	0	0	0	0	10,909
Total unapplied return	2,889	156	(48)	1,823	(5,200)	(380)
	13,798	156	(48)	1,823	(5,200)	10,529
Unrestricted funds						
General reserves	991	1,876	(3,222)	0	5,200	4,845
	991	1,876	(3,222)	0	5,200	4,845
Total funds	14,789	2,032	(3,270)	1,823	0	15,374

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

11. ASSETS AND LIABILITIES

	Investment Properties £'000	Investments £'000	Current Assets £'000	Liabilities & Provisions £'000	Fund Total £'000
Endowment funds					
Permanent endowment	909	10,000	0	0	10,909
Total unapplied return	2,711	(4,339)	2,002	0	374
	3,620	5,661	2,002	0	11,283
Restricted funds					
General reserves: Cadogan	0	0	956	0	956
Unrestricted funds					
General reserves	0	0	3,369	(727)	2,642
	0	0	3,369	(727)	2,642
Total funds	3,620	5,661	6,327	(727)	14,881

PRIOR YEAR	Investment Properties £'000	Investments £'000	Current Assets £'000	Liabilities & Provisions £'000	Fund Total £'000
Endowment funds					
Permanent endowment	909	10,000	0	0	10,909
Total unapplied return	2,042	(2,424)	2	0	(380)
	2,951	7,576	2	0	10,529
Unrestricted funds					
General reserves	0	0	5,765	(920)	4,845
	0	0	5,765	(920)	4,845
Total funds	2,951	7,576	5,767	(920)	15,374

12. RELATED PARTY DISCLOSURES

As described in the trustees report the Charity has a close working relationship with the Royal Masonic School for Girls (the "School"). Two trustees of the ultimate holding company are also governors of the School. At the balance sheet date, a total amount of £Nil due from the Charity to the School (2022: £Nil) was included in other creditors (note 9).

The Charity executed a long-term lease with the School on 16th June 2023, and the terms of this document have been used for the purpose of valuing the social investment property as per note 6 of the financial statements.

13. STATEMENT OF FINANCIAL ACTIVITIES

(Including an Income and Expenditure Account)

YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022 £'000	Endowment funds 2022 £'000	Total Funds 2022 £'000
INCOME				
Donations		0	0	0
Investment income	2	1,876	156	2,032
Total income		1,876	156	2,032
EXPENDITURE				
Investment management costs		0	(48)	(48)
		0	(48)	(48)
Charitable activities				
Masonic grants	3	0	0	0
Non-Masonic grants	3	(3,222)	0	(3,222)
		(3,222)	0	(3,222)
Total expenditure		(3,222)	(48)	(3,270)
Net gains/(losses) on investments	7	0	1,823	1,823
Net income/(expenditure)		(1,346)	1,931	585
Transfers between funds	9	5,200	(5,200)	0
NET MOVEMENT IN FUNDS		3,854	(3,269)	585
Total funds brought forward		991	13,798	14,789
Total funds carried forward		4,845	10,529	15,374

14. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS LESS DEBT

	At 1 April 2022 £'000	Cash Flow £'000	Non-Cash Changes £'000	At 31 March 2023 £'000
Cash and cash equivalents				
Cash at bank and in hand	4,484	411	0	4,895
	4,484	411	0	4,895
Borrowings				
Bank loans due within one year	(193)	189	(189)	(193)
Bank loans due after one year	(477)	0	189	(288)
	(670)	189	0	(481)
Total cash and cash equivalents less debt	3,814	600	0	4,414

15. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Masonic Charitable Foundation (Registered Charity No. 1164703, Company Number 09751836), which is the sole member of the company. Consolidated accounts for the MCF, which include the accounts of the Charity, can be obtained from the registered office of the Charity.

THE RMIG ENDOWMENT TRUST

England & Wales - Charity number 290883

Accounts

RMIG ENDOWMENT TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Charity Number: 290883

RMIG ENDOWMENT TRUST

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RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

The trustee is pleased to submit its report for the year ended 31st March 2022.

Reference and Administrative Information

Name and Registered Office

The name of the charity is the RMIG Endowment Trust (the "Charity") and its principal office is located at 60 Great Queen Street, London, WC2B 5AZ.

Trustees

The trustee who served during the whole of the year was:

- The Masonic Charitable Foundation ("MCF") (Corporate Trustee, Registered Charity No. 1164703, Company Number 09751836)

The trustees of the MCF who served during the year were:

- John Boyington, CBE
- Sinead Brophy
- Charles A.G. Cunnington
- Timothy D. Dallas-Chapman (resigned 9th December 2021)
- Simon D'O. Duckworth, OBE, DL
- Clive Emerson
- Dr Simon Fellerman
- Alan P. Graham, MBE
- Antony D.G. Harvey
- Christopher Head
- Michael R. Heenan (Treasurer)
- Richard M. Hone, QC (President)
- James H. Newman, OBE (resigned 28th April 2021)
- Stephen Robinson
- Howard Ian Sabin (resigned 9th December 2021)
- David Southern (appointed 10th June 2021)
- Nigel J. Vaughan
- David C. Watson (resigned 9th December 2021)
- Andrew G. Wauchope
- Sir Paul Williams, OBE, KStJ, DL (Deputy President and Chairman)
- Howard G. Wilson

James H. Newman resigned as Chairman of the MCF on 31st March 2021 and Trustee of the MCF on 28th April 2021, and Sir Paul Williams was appointed Chairman on 1st April 2021.

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

Executive

The Executive during the year to 31st March 2022 were:

- Les Hutchinson, Chief Executive
- Charles Angus, Group Finance Director
- Annette Campbell, Company Secretary (resigned 5th February 2022)
- Brenda Nurse, Company Secretary (appointed 1st March 2022)

Auditor

Knox Cropper LLP, Chartered Accountants, 65 Leadenhall Street, London, EC3A 2AD

Bankers

Clydesdale Bank Plc, Unit 8, 3 The Chase, John Tate Road, Hertford, Herts SG13 7NN

Investment Advisors

Asset Risk Consultants Limited, 7 New Street, St. Peter Port, Guernsey, GY1 2PF

Investment Managers

Thesis Unit Trust Management Ltd, Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP

Solicitors

Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

Structure, Governance and Management

Organisation

The Charity is governed under the terms of a trust deed dated 29th November 1984 which constitutes an unincorporated charity. The trust deed has been varied a number of times to accommodate changes in trustees, with the latest variation dated 5th April 2019 appointing the MCF and its chairman as trustees of the Charity. Following the granting of trust corporation status to the MCF, the chairman resigned as a trustee of the Charity on 12th December 2019.

Governance and Management

The MCF is the sole trustee of the Charity. Details of the processes for the appointment, induction and training of the MCF's trustees are given in the annual report and accounts of that company.

All governance and management capabilities are provided by the MCF and details of the relevant committees and processes are provided in the annual report and accounts of that company. Trustees and committees of the MCF address the specific needs of the Charity as part of their roles and responsibilities for the MCF. The trustee board and the main committees meet as follows:

Board/Committee	Purpose	Meetings per year
Trustee Board	Main decision-making body with ultimate responsibility for the Charity	4
Audit and Risk	Identification and mitigation of risk, oversight of external audit	2
Finance	Ensuring adequate procedures are in place to manage all aspects of financial planning, controlling and reporting.	4
Investments	Maintaining investment strategies to meet the requirements of the Charity, appointment and monitoring of fund managers	4
Property	Development and execution of strategies to optimise the returns from the Charity's property portfolio	4
Strategy	Development and implementation of strategies to support the Charity's objectives.	4

The Charity does not employ any staff, with services being provided by staff employed by the MCF.

Objectives and Activities

The objects of the Charity

The primary purpose of the Charity is to apply its resources for any charitable purpose connected with the Royal Masonic School for Girls (the "School") or the education of its pupils who are daughters or adopted daughters of English Freemasons considered to be in need. The resources consist of funds donated by Freemasons to the Royal Masonic Institution for Girls and transferred by that charity to the trustees on establishment of the Charity on 29th November 1984, together with property and real estate at Rickmansworth Park which houses the School.

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

The main activities

Since its establishment, a policy of the Charity has been to ensure the proper maintenance of the property and real estate to optimise the running of the School. The Charity provides scholarships and bursaries on a "need or means tested" basis to daughters or adopted daughters of Freemasons in accordance with the trust deed.

When setting the objectives and planning the work of the Charity for the year, the trustee has given careful consideration to the Charity Commission's general guidance on public benefit. In meeting its objects, the trustee has been mindful of the public benefits which the Charity and the School can jointly provide to local, provincial and national organisations by the use of the grounds, sports facilities and the various halls and buildings.

Achievements and Performance

During the period, the Charity expended £3.17 M on supporting the School (2021: £1.33 M). Major areas of repair and refurbishment included: refurbishment of the ceiling and roof of the dining hall, replacement of the heating system in the remaining K houses, fire containment work including the replacement/repair of 381 fire doors in the G block and K houses and refurbishment of the roof, fascias, soffits guttering to Cadogan House.

Financial Review

Review of the Year

Unrestricted Fund

The School was adversely impacted by Covid-19 and government-imposed lockdown during the previous year and requested support from the Charity. Negotiations are in progress with regard to a six-year interim lease commencing from 1st September 2020 followed by a reversionary long term lease, and a rent free period is anticipated which will include the period from 1st September 2020 to 31st August 2022. As the rent free period will be spread over the six-year term of the interim lease rent of £1.27 M has been accrued as at 31st March 2022.

Total expenditure for charitable purposes amounted to £3.22 M (2021: £1.40 M). A transfer of £5.20 M was made from the endowment fund to fund expenditure in the current year and part of the cost planned for 2022/23. The surplus for the year of £3.85 M (2021: £2.13 M) was transferred to reserves.

Endowment Fund

Dividend income of £0.16 M (2021: £0.24 M) was generated from the investment portfolio with costs of £0.05 M (2021: £0.06 M).

Net gains from the Charity's investment in the MCF CAIF amounted to £1.01 M (2021: £2.60) and withdrawals of £5.20 M were made to fund the transfer to the unrestricted fund (2021: £3.56 M). £3.21 M was written back to the value of the social investment property (the buildings leased to the School) following the repairs undertaken during the year, but a further provision of £2.4 M was made in recognition of the increased scope and cost required to complete the programme of backlog works.

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

Reserves Policy

As at the 31 March 2022 the total level of reserves was £15.37 M, of which £10.53 M related to endowment funds and the remainder of £4.85 M related to the working capital within the unrestricted general reserve.

The Charity's policy is to apply its resources for any charitable purpose connected with the School or the education of its pupils who are daughters or adopted daughters of English Freemasons in accordance with the trust deed. The Charity has commissioned a report from a firm of professional surveyors to consider the condition of the School buildings in anticipation of a new tenant repairing lease, from which significant dilapidations have been identified for rectification. The expected cost for this is estimated at £16.01 M and full provision has been made for this against the value of the investment property as laid out in note 6 to the accounts. In order to provide increased availability of funds, the trustee board agreed to adopt a Total Return basis for utilising investment returns on 12th December 2019, replacing the previous policy of applying in-year income only for the purpose of supporting the School. The surplus over the original endowment has been transferred to a separate reserve for the total unapplied return.

The social investment property has been valued through the discounting of expected future lease payments using a yield of 5.5% as the cost of capital, less the residual value of the provision for backlog repairs. This provision is being released back to the endowment fund in line with the works being completed and charged to the unrestricted general reserve. The provision for backlog repairs is reviewed on an annual basis, and adjusted as required in accordance with the evolving cost for the planned works.

Investment Policy and Performance

The investment strategy was to provide sufficient income to support the Charity's primary objectives whilst maintaining its real value to ensure that purchasing power does not diminish in the long-term. The trustee recognised that this required a medium to high risk asset allocation, with up to 85% of the portfolio invested in equities. Risk was mitigated through a diverse portfolio of fixed interest securities, equities, unit trusts and open-ended investment companies. Following the trustee's decision to adopt a Total Return basis, the requirement to maximise the income component of the investment return was removed, and the Charity was able to adopt the MCF investment strategy and to transfer its funds to the MCF CAIF.

The MCF global investment strategy seeks to protect the capital value of investments that are required to fund operations for a two-year time horizon (the "Cash Reserve") and to invest all remaining funds for long term growth, on a total return basis, with an overall objective of making a return of RPI plus 3% net of all expenses.

The Cash Reserve is provided by Royal London Asset Management and utilises three of their funds, which provide a mix of instruments, including cash instruments, Treasury Bills, covered (secured) bonds, corporate bonds, Supranationals and mortgage-backed securities. The performance objectives of the three funds are:

- Short Term Money Market Fund: SONIA
- Cash Plus Fund: SONIA plus 0.50% gross of fees
- Enhanced Cash Plus Fund: SONIA plus 1.00% gross of fees

Investment Policy and Performance (Continued)

The MCF sponsored the launch of the Masonic Charitable Foundation Investment Fund CAIF, which took place on 1st October 2018. This is a unit trust with a highly efficient tax wrapper in which the MCF and all its subsidiary charities own their shares in the form of units. Units will be sold as required in order to top up the Cash Reserve on a quarterly basis. The investment strategy is directed for "Steady Growth", which is a medium-high risk strategy. Risk is managed through diversification, with the funds split between four different fund managers operating on multi asset mandates but utilising differing investment management styles. The overall fund manager is Thesis Unit Trust Management Limited and the custodian in Northern Trust.

The asset allocation for the CAIF was amended on 1st April 2019 by the investment committee following advice from Asset Risk Consultants. The strategic and actual asset allocations as at 31st March 2022 are shown in the following table:

Asset Class	Strategic Allocation	Benchmark	Actual 31st March 2022
Cash	0.00%	SONIA	3.20%
Fixed Income	7.50%	FTSE UK World Gov. Bond Index GBP	4.40%
International Equity	28.75%	MSCI World ex UK NR GBP	56.40%
Int'nl Equity GBP hedged	12.00%	MSCI World ex UK Hedged NR GBP	3.40%
U.K. Equity	18.00%	MSCI UK Equity NR GBP	18.50%
Emerging Market Equity	12.50%	MSCI Emerging Markets Equity NR GBP	2.80%
Global Equity Hedge	13.75%	HFRX Global Equity Hedge GBP	0.00%
Alternative Investments	3.75%	HFRX Global Hedge Fund GBP	7.80%
Property	3.75%	IA UK Direct Property TR	3.50%
	100.00%		100.0%

Performance under the new arrangements is shown in the table overleaf. Note that performance for periods before launch on 1st October 2018 is derived from the historical returns of the constituent fund managers:

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

Investment Policy and Performance (Continued)

	MCF CAIF	RLAM Short Term	RLAM Cash Plus	RLAM Enhanced	CCLA
Fund at 31st March 2022	£7.57 M	£Nil	£Nil	£Nil	£Nil
Investment approach	Steady Growth Multi-Asset	Capital Protection	Capital Protection	Capital Protection	Income & long-term Capital Growth
Benchmark	Composite	SONIA	SONIA	SONIA	MSCI/AREF UK other balanced property
Peer Group	ARC Charity GBP Steady Growth	None	None	None	ARC Charity GBP Steady Growth
Return for the year	10.30%	0.13%	(0.09)%	(0.65)%	19.30%
Benchmark return for year	9.80%	0.14%	0.14%	0.14%	9.70%
Peer group return for year	7.10%	N/A	N/A	N/A	7.10%
3 year return	33.00%	0.38%	0.64%	0.80%	27.00%
3 year benchmark	26.90%	0.28%	0.28%	0.28%	2.50%
3 year peer group	22.40%	N/A	N/A	N/A	22.40%

The CAIF has continued to perform strongly during the year, hitting a peak of just over £133.00 per unit at 31st December. It fell back in the final quarter due to geopolitical and inflationary concerns, but recovered strongly in the latter part of March. As at 31st March 2022, the CAIF was valued at £129.73 per unit.

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

Principal Risks and Mitigation

The principal risks identified and agreed actions to mitigate are shown in the following table:

Risk	Consequence	Mitigation
Significant unexpected financial loss from operations	Reputational damage, loss of confidence with key stakeholders and impact upon continuing financial sustainability	Strong financial procedures, particularly budgetary planning and control. Oversight from the Finance Committee.
Inadequate liquidity to meet financial commitments	Poor service to beneficiaries and reputational damage. Withdrawal of key services from suppliers	Cash flow forecasting and liquidity planning within the Investment Strategy
Significant long-term loss in the value of the investment portfolio	Impacts financial sustainability and reputational damage with donors	Appointment of Asset Risk Consultants as expert investment advisors, providing monthly performance reporting and analysis. Oversight from investment and property committees.
Grants made outside the Charity's Objects and operating guidelines	Reputational damage, loss of confidence with key stakeholders and potential trustee liability	Strong procedures and controls for processing grants. Oversight from Masonic Support and Charity Grants committees
Cyberattack on IT systems	All key operations are compromised	United Grand Lodge of England ("UGLE") and IT network providers have strong security procedures in place covering access, protection, backups and disaster recovery facilities. Mandatory cybersecurity training in place for all staff
Data protection breach	Reputational damage and significant financial penalties	Data protection policy, IT security and HR policies in place
Fraud	Financial loss, reputational damage, adverse impact upon staff	Financial procedures, segregation of duties, authority limits, IT security, increased awareness amongst staff
Unavailability of office accommodation	Operations compromised	UGLE Business Continuity Plan
Loss of paper records from fire/flooding	Breach of legal obligations, adverse impact upon operations, potential financial penalties	Reduced reliance on paper records with increased use of IT.
Lack of compliance with employment legislation	Breach of legal obligations, potential financial penalties, breakdown of staff morale and adverse impact upon service provision	HR procedures and staff handbook. Induction processes for new staff. Ongoing management training and Personal Development Review
Undue reliance on key persons	Operational breakdown, adverse impact upon staff morale, poor service to beneficiaries and potential reputational damage	HR procedures: organisational and succession planning. Comprehensive documentation of procedures and controls

Risks are actively monitored by the Executive and the senior leadership team, and formally reviewed by the audit and risk committee at their biannual meetings.

Plans for Future Periods

The MCF plans to continue to operate the Charity in a prudent manner that meets the needs of its beneficiaries over the long term. It recognises the requirement to work closely with the School to resolve the backlog of repairs to its infrastructure that have built up over many years and will prioritise the development and execution of a 6-year plan to address these issues in a sustainable manner.

Negotiations are still in progress with regard to a replacement lease. The plan is to put in place a six-year interim lease, on terms similar to the previous lease, commencing with effect from 1st September 2020. This lease will run in tandem with the programme to address the backlog repairs. A long-term (99 year) tenant repairing reversionary lease will be executed simultaneously and will commence upon the expiry of the interim lease on 1st September 2026.

RMIG ENDOWMENT TRUST

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

Statement of Responsibilities

The trustee is responsible for preparing the trustee's report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (U.K. "GAAP").

The law applicable to charities in England and Wales, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed require the trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that year.

In preparing these financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The trustee is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. It is also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution proposing that Knox Cropper LLP be reappointed as auditor will be put to the members.

Approval by Trustee

This report, was approved by the trustee on 15th September 2022 and signed on their behalf by

Sir Paul Williams, OBE, KStJ, DL

Chairman, MCF

RMIG ENDOWMENT TRUST

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RMIG ENDOWMENT FUND

We have audited the financial statements of the RMIG Endowment Fund (the “Charity”) for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The trustee is responsible for the other information.

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RMIG ENDOWMENT FUND

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the Trustee's Responsibilities Statement set out on page 12, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RMIG ENDOWMENT FUND

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for any restricted funds was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for any restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the Charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken, so that we might state to the Charity's trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustee as a body, for our audit work, for this report or for the opinions we have formed.

Knox Cropper LLP
Statutory Auditor
65 Leadenhall Street
London EC3A 2AD

Knox Cropper LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

RMIG ENDOWMENT TRUST

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2022

(Including an Income and Expenditure Account)

	Note	Unrestricted funds 2022 £'000	Endowment funds 2022 £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
INCOME					
Donations		0	0	0	335
Investment income	2	1,876	156	2,032	161
Total income		1,876	156	2,032	496
EXPENDITURE					
Investment management costs		0	(48)	(48)	(56)
		0	(48)	(48)	(56)
Charitable activities					
Masonic grants	3	0	(0)	(0)	(10)
Non-Masonic grants	3	(3,222)	0	(3,222)	(1,391)
		(3,222)	(0)	(3,222)	(1,401)
Total expenditure		(3,222)	(48)	(3,270)	(1,457)
Net gains/(losses) on investments	7	0	1,823	1,823	3,827
Net income/(expenditure)		(1,346)	1,931	585	2,866
Transfers between funds	10	5,200	(5,200)	0	0
NET MOVEMENT IN FUNDS		3,854	(3,269)	585	2,866
Total funds brought forward		991	13,798	14,789	11,923
Total funds carried forward		4,845	10,529	15,374	14,789

All income and expenditure derive from continuing activities and all gains/losses are included in the statement of financial activities

The notes on pages 19 to 28 form part of these financial statements. The prior year figures are analysed by fund in note 13 on page 27.

RMIG ENDOWMENT TRUST

BALANCE SHEET as at 31 March 2022

	Note	March 2022 £'000	March 2021 £'000
FIXED ASSETS			
Investment properties	6	2,951	2,138
Investments	7	7,576	11,659
		10,527	13,797
CURRENT ASSETS			
Debtors	8	1,283	0
Cash at bank and in hand		4,484	1,739
		5,767	1,739
CURRENT LIABILITIES			
Creditors falling due within one year	9	(443)	(747)
NET CURRENT ASSETS		5,324	992
TOTAL ASSETS LESS CURRENT LIABILITIES		15,851	14,789
Creditors falling due after one year	9	(477)	0
Total net assets		15,374	14,789
CHARITABLE FUNDS			
Endowment funds			
Permanent endowment	10	10,909	10,909
Total unapplied return	10	(380)	2,889
		10,529	13,798
Unrestricted funds			
General reserves	10	4,845	991
Total charitable funds		15,374	14,789

The financial statements were approved and authorised for issue by the Trustee Board on 15th September 2022 and signed on their behalf by:

……..	……..
Sir Paul Williams, OBE, DL	Michael Heenan
Chairman	Treasurer

The notes on pages 19 to 28 form part of these financial statements

RMIG ENDOWMENT TRUST

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2022

	Note	2022 £'000	2021 £'000
Operating Activities			
Net cash (used in) Operating Activities	A	(5,157)	(1,102)
Cash flows from investing activities			
Dividends and interest from investments		2,032	161
Proceeds from the sale of investments		5,200	3,556
Purchase of investments		0	(279)
Net cash provided by/(used in) Investing Activities		7,232	3,438
Cash flows from financing activities			
Bank loans taken out/(repaid)		670	(1,033)
Change in cash and cash equivalents in the reporting period		2,745	1,303
Cash and cash equivalents at the beginning of the reporting period		1,739	436
Cash and cash equivalents at the end of the reporting period	12	4,484	1,739

Notes on the cash flow statement

A **Reconciliation of net income/(expenditure) to net cash flow from operating activities**

Net movement in Funds as per the Statement of Financial Activities	585	2,866
Adjustments for:		
Impairment of investment property	(813)	(1,229)
Dividends, interest and rents from investments	(2,032)	(161)
Other movements in investments	(1,117)	(2,782)
(Increase) in debtors	(1,283)	0
(Decrease)/increase in creditors	(497)	204
Net cash (used in) Operating Activities	(5,157)	(1,102)

RMIG ENDOWMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

(a) **Statement of compliance**

The financial statements of the RMIG Endowment Trust (the "Charity") have been prepared in accordance with applicable UK accounting standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"). Additionally, they comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102 second edition) published in 2019 (the "SORP") in all material respects. The Charity meets the definition of a public benefit entity under FRS 102.

(b) **Basis of preparation**

The financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investments, on a basis consistent with previous years. The functional currency of the Charity is considered to be Pounds Sterling because that is the currency of the primary economic environment in which the Charity operates.

(c) **Going concern**

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustees of the Charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

(d) **Incoming resources**

Revenue is recognised when the significant risks and rewards of ownership have been transferred, the amount of revenue can be measured reliably, it is probable that future economic benefits will flow to the Charity and when the specific criteria relating to each of the Charity's revenue channels have been met, as described below:

i. Rental and income is accounted for on an accruals basis under the terms of the lease with the School.
ii. Interest on fixed-interest securities is accounted for on an accruals basis.
iii. Dividends on equities are recognised on receipt of payment.

(d) **Resources expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of any obligation can be measured reliably. All resources expended are recognised on an accruals basis, with the exception of grants as noted below.

Grants are recognised as expenditure in the year in which the grant is formally approved by the Charity and has been communicated in writing to the recipient, except to the extent that it is subject to conditions that enable the Charity to revoke the award.

(e) **Allocation and apportionment of costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

(f) **Employee benefits**

All staff are employed by the parent charity, The Masonic Charitable Foundation. No charge is made to the Charity in respect of staff providing services to the Charity. No remuneration is paid to trustees and no expenses reimbursed.

(g) **Fund accounting**

Unrestricted funds may be utilised for any purpose in accordance with the charitable objectives of the Charity. The trustees took the decision at the end of the previous year to move the endowment fund to a total returns basis, resulting in a change of policy. Investment income and management fees are retained within the CAIF and the endowment fund. Withdrawals from the CAIF are transferred to the general fund from the total unapplied return section of the endowment fund.

(h) **Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are stated at market value. All realised and unrealised gains and losses are recognised within the Statement of Financial Activities. Investments which the Charity holds for resale or pending their sale and cash or cash equivalents with a maturity date of less than one year, which are held for investment purposes, are disclosed as current asset investments.

(i) **Financial assets and liabilities**

The Charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Financial assets and liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities which qualify as basic financial instruments are initially recognised at the settlement amount after any trade discounts. They are subsequently valued at amortised cost and assessed for impairment at the end of each reporting period. Where settlement is not expected within 12 months of the balance sheet date, then the asset or liability is discounted using the long term return of inflation plus 4 percent used as the target for the Charity's investment portfolio**.** Basic financial instruments include debtors, cash and creditors within the balance sheet.

(j) **Taxation**

The Charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and it is considered to pass the test set out in paragraph 1, schedule 6 of the Finance Act 2010, and therefore it meets the definition of a charity for U.K. Corporation Tax purposes. The Charity is unable to recover Valued Added Tax (VAT) incurred on expenditure. The amount of VAT that cannot be recovered is included within the underlying cost to which it relates.

(k) **Social Investment Property**

The social investment property has been valued through the discounting of expected future lease payments using a yield of 5.5% as the cost of capital, less the residual value of the provision for backlog repairs. This provision is being released back to the endowment fund in line with the works being completed and charged to the unrestricted general reserve. The provision for backlog repairs is reviewed on an annual basis, and adjusted as required in accordance with the evolving cost for the planned works. Gains or losses are recognised within the Statement of Financial Activities. No depreciation is provided on social investment properties.

RMIG ENDOWMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

2. **INVESTMENT INCOME**	Unrestricted funds 2022 £'000	Endowment funds 2022 £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
Interest on bank deposits	4	0	4	3
Income from investment portfolios	0	156	156	240
Rental income - Royal Masonic School	1,872	0	1,872	(90)
Rental income - other	0	0	0	8
Income - other	0	0	0	0
	1,876	156	2,032	161

3. **CHARITABLE ACTIVITIES**	Unrestricted funds 2022 £'000	Endowment funds 2022 £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
Masonic				
Foundation scholarships & bursaries	0	0	0	10
	0	0	0	10
Non-Masonic				
Property expenses	3,172	0	3,172	1,335
Support Costs	50	0	50	56
	3,222	0	3,222	1,391

4. **SUPPORT COSTS**	Unrestricted funds 2022 £'000	Endowment funds 2022 £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
Administrative costs	0	0	0	0
Interest and bank charges	23	0	23	38
Governance costs	27	0	27	18
	50	0	50	56

5. **STAFF COSTS**

The Charity employed no staff during the year (2021: None). No staff recharges have been made from the MCF to the Charity.

No trustees received remuneration from the Charity during the year (2021: £ Nil). No trustees' expenses were incurred during the year (2021: £ Nil).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

6. SOCIAL INVESTMENT PROPERTY

	March 2022 £'000	March 2021 £'000
Balance at 1 April 2021	2,138	909
Additional provision for backlog repairs	(2,401)	0
Utilisation of provision for backlog repairs	3,214	1,229
Balance at 31 March 2022	2,951	2,138

7. INVESTMENTS

	March 2022 £'000	March 2021 £'000
Fixed Asset Investments:		
- Managed Funds		
MCF CAIF	7,576	11,659
	7,576	11,659

MOVEMENTS IN INVESTMENTS

Listed

Balance at 1 April 2021	11,659	12,154
Additions	0	279
Disposals	(5,200)	(3,556)
Investment income reinvested	156	240
Management fees charged to the fund	(48)	(56)
Gains/(losses)	1,009	2,598
Balance at 31 March 2022	7,576	11,659

RECONCILIATION TO SOFA

Gains on listed investments	1,009	2,598
Provision for backlog repairs on social investment property	814	1,229
	1,823	3,827

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

8. **DEBTORS**

	March 2022 £'000	March 2021 £'000
Prepayments and accrued income	1,265	0
Amounts owed by group undertakings	18	0
	1,283	0

9. **CREDITORS**

	March 2022 £'000	March 2021 £'000
Falling due within one year		
Bank loans and overdrafts	193	0
Trade creditors	233	52
Amounts owed to group undertakings	0	9
Other creditors	0	674
Accruals	17	12
	443	747

Falling due after more than one year	March 2022 £'000	March 2021 £'000
Bank loans	477	0
	477	0

A new bank loan was taken out on 7th April 2021 for an amount of £835,817. It is repayable in 52 monthly instalments ending 10th August 2025. Interest is chargeable at a fixed rate of 3.31%

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

10. **MOVEMENT IN FUNDS**

	Balance at 1 April 2021	Income	Expenditure	Gains/ (losses)	Transfers	Balance at 31 March 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Endowment funds						
Permanent endowment	10,909	0	0	0	0	10,909
Total unapplied return	2,889	156	(48)	1,823	(5,200)	(380)
	13,798	156	(48)	1,823	(5,200)	10,529
Unrestricted funds						
General reserves	991	1,876	(3,222)	0	5,200	4,845
	991	1,876	(3,222)	0	5,200	4,845
Total funds	14,789	2,032	(3,270)	1,823	0	15,374

PRIOR YEAR

	Balance at 1 April 2020	Income	Expenditure	Gains/ (losses)	Transfers	Balance at 31 March 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Endowment funds						
Permanent endowment	10,909	0	0	0	0	10,909
Total unapplied return	2,156	518	(56)	3,827	(3,556)	2,889
	13,065	518	(56)	3,827	(3,556)	13,798
Unrestricted funds						
General reserves	(1,142)	(22)	(1,401)	0	3,556	991
	(1,142)	(22)	(1,401)	0	3,556	991
Total funds	11,923	496	(1,457)	3,827	0	14,789

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

11. **ASSETS AND LIABILITIES**

	Investment Properties £'000	Investments £'000	Current Assets £'000	Liabilities & Provisions £'000	Fund Total £'000
Endowment funds					
Permanent endowment	909	10,000	0	0	10,909
Total unapplied return	2,042	(2,424)	2	0	(380)
	2,951	7,576	0	0	10,529
Unrestricted funds					
General reserves	0	0	5,765	(920)	4,845
	0	0	5,765	(920)	4,845
Total funds	2,951	7,576	5,767	(920)	15,374

PRIOR YEAR	Investment Properties £'000	Investments £'000	Current Assets £'000	Liabilities & Provisions £'000	Fund Total £'000
Endowment funds					
Permanent endowment	909	10,000	0	0	10,909
Total unapplied return	1,229	1,659	0	(1)	2,887
	2,138	11,659	0	(1)	13,796
Unrestricted funds					
General reserves	0	0	1,739	(746)	993
	0	0	1,739	(746)	993
Total funds	2,138	11,659	1,739	(747)	14,789

12. **RELATED PARTY DISCLOSURES**

As described in the trustees report the Charity has a close working relationship with the Royal Masonic School for Girls (the “School”). Two trustees of the ultimate holding company are also governors of the School.

At the balance sheet date, a total amount of £Nil due from the Charity to the School (2021: £673,935) was included in other creditors (note 9).

The Charity is currently in the process of agreeing a long-term lease with the School, and the heads of terms document has been used for the purpose of valuing the social investment property as per note 6 of the financial statements.

13. STATEMENT OF FINANCIAL ACTIVITIES

(Including an Income and Expenditure Account)

12 MONTHS ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £'000	Endowment funds 2021 £'000	Total Funds 2021 £'000	Total Funds 2020 £'000
INCOME					
Donations		57	278	335	0
Investment income	2	(79)	240	161	1,799
Total income		(22)	518	496	1,799
EXPENDITURE					
Investment management costs		0	(56)	(56)	(58)
		0	(56)	(56)	(58)
Charitable activities					
Masonic grants	3	(10)	0	(10)	(17)
Non-Masonic grants	3	(1,391)	0	(1,391)	(1,583)
		(1,401)	0	(1,401)	(1,600)
Total expenditure		(1,401)	(56)	(1,457)	(1,658)
Net gains/(losses) on investments	7	0	3,827	3,827	(14,858)
Net income/(expenditure)		(1,423)	4,289	2,866	(14,717)
Transfers between funds	10	3,556	(3,556)	0	0
NET MOVEMENT IN FUNDS		2,133	733	2,866	(14,717)
Total funds brought forward		(1,142)	13,065	11,923	26,640
Total funds carried forward		991	13,798	14,789	11,923

14. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS LESS DEBT

	At 1 April 2021 £'000	Cash Flow £'000	Non-Cash Changes £'000	At 31 March 2022 £'000
Cash and cash equivalents				
Cash at bank and in hand	1,739	2,745	0	4,484
	1,739	2,745	0	4,484
Borrowings				
Bank loans due within one year	0	0	(193)	(193)
Bank loans due after one year	0	(670)	193	(477)
	0	(670)	0	(670)
Total cash and cash equivalents less debt	1,739	2,075	0	3,814

15. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Masonic Charitable Foundation (Registered Charity No. 1164703, Company Number 09751836), which is the sole member of the company. Consolidated accounts for the MCF, which include the accounts of the Charity, can be obtained from the registered office of the Charity.

THE RMIG ENDOWMENT TRUST

England & Wales - Charity number 290883

Accounts

RMIG ENDOWMENT TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Charity Number: 290883

RMIG ENDOWMENT TRUST

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RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

The trustee is pleased to submit its report for the year ended 31st March 2021.

Reference and Administrative Information

Name and Registered Office

The name of the charity is the RMIG Endowment Trust (the "Charity") and its principal office is located at 60 Great Queen Street, London, WC2B 5AZ.

Trustees

The trustee who served during the whole of the year was:

- The Masonic Charitable Foundation ("MCF") (Corporate Trustee, Registered Charity No. 1164703, Company Number 09751836)

The trustees of the MCF who served during the year were:

- John Boyington, CBE
- Sinead Brophy
- Charles A.G. Cunnington
- Timothy D. Dallas-Chapman
- Simon D'O. Duckworth, OBE, DL
- Clive Emerson
- Dr Simon Fellerman (appointed 1st September 2020)
- Alan P. Graham, MBE
- Antony D.G. Harvey
- Christopher Head
- Michael R. Heenan (Treasurer)
- Richard M. Hone, QC (President)
- John E. Hornblow (resigned 25th August 2020)
- James H. Newman, OBE (Deputy President and Chairman)
- Stephen Robinson (appointed 8th March 2021)
- Howard Ian Sabin
- Nigel J. Vaughan
- David C. Watson
- Andrew G. Wauchope
- Christopher G. White (resigned 25th August 2020)
- Sir Paul Williams, OBE, KStJ, DL
- Howard G. Wilson

James H. Newman resigned as Chairman of the MCF on 31st March 2021 and Trustee of the MCF on 28th April 2021, and Sir Paul Williams was appointed Chairman on 1st April 2021.

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

Executive

The Executive appointed to manage the day-to-day affairs of the Charity from 1st April 2021 were:

- David Innes, Chief Executive (resigned 18th September 2020)
- Les Hutchinson, Chief Operating Officer to, and Chief Executive from 21st September 2020
- Charles Angus, Group Finance Director
- Annette Campbell, Company Secretary

Auditor

Knox Cropper LLP, Chartered Accountants, 65 Leadenhall Street, London, EC3A 2AD

Bankers

Clydesdale Bank Plc, Unit 8, 3 The Chase, John Tate Road, Hertford, Herts SG13 7NN

Investment Advisors

Asset Risk Consultants Limited, 7 New Street, St. Peter Port, Guernsey, GY1 2PF

Investment Managers

Thesis Unit Trust Management Ltd, Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP

Solicitors

Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

Structure, Governance and Management

Organisation

The Charity is governed under the terms of a trust deed dated 29th November 1984 which constitutes an unincorporated charity. The trust deed has been varied a number of times to accommodate changes in trustees, with the latest variation dated 5th April 2019 appointing the MCF and its chairman as trustees of the Charity. Following the granting of trust corporation status to the MCF, the chairman resigned as a trustee of the Charity on 12th December 2019.

Governance and Management

The MCF is the sole trustee of the Charity. Details of the processes for the appointment, induction and training of the MCF's trustees are given in the annual report and accounts of that company.

All governance and management capabilities are provided by the MCF and details of the relevant committees and processes are provided in the annual report and accounts of that company. Trustees and committees of the MCF address the specific needs of the Charity as part of their roles and responsibilities for the MCF. The trustee board and the main committees meet as follows:

Board/Committee	Purpose	Meetings per year
Trustee Board	Main decision-making body with ultimate responsibility for the Charity	4
Audit and Risk	Identification and mitigation of risk, oversight of external audit	2
Finance	Ensuring adequate procedures are in place to manage all aspects of financial planning, controlling and reporting.	4
Investments	Maintaining investment strategies to meet the requirements of the Charity, appointment and monitoring of fund managers	4
Property	Development and execution of strategies to optimise the returns from the Charity's property portfolio	4
Strategy	Development and implementation of strategies to support the Charity's objectives.	4

The Charity does not employ any staff, with services being provided by staff employed by the MCF.

Objectives and Activities

The objects of the Charity

The primary purpose of the Charity is to apply its resources for any charitable purpose connected with the Royal Masonic School for Girls (the "School") or the education of its pupils who are daughters or adopted daughters of English Freemasons considered to be in need. The resources consist of funds donated by Freemasons to the Royal Masonic Institution for Girls and transferred by that charity to the trustees on establishment of the Charity on 29th November 1984, together with property and real estate at Rickmansworth Park which houses the School.

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

The main activities

Since its establishment, a policy of the Charity has been to ensure the proper maintenance of the property and real estate to optimise the running of the School. The Charity provides scholarships and bursaries on a "need or means tested" basis to daughters or adopted daughters of Freemasons in accordance with the trust deed.

When setting the objectives and planning the work of the Charity for the year, the trustee has given careful consideration to the Charity Commission's general guidance on public benefit. In meeting its objects, the trustee has been mindful of the public benefits which the Charity and the School can jointly provide to local, provincial and national organisations by the use of the grounds, sports facilities and the various halls and buildings.

Achievements and Performance

During the period, the Charity expended £1.33 M on supporting the School (2020: £1.51 M). Major areas of repair and refurbishment included: replacement of the heating system in K2 and K3 houses and removal of asbestos from the service tunnel to the K houses.

Foundation scholarships were provided to 1 girl at a cost of £10k (2020: 2 girls at a cost of £17k).

Financial Review

Review of the Year

Unrestricted Fund

The School was adversely impacted by Covid-19 and government-imposed lockdown during the year and requested support from the Charity. Negotiations are in progress with regard to a six-year interim lease commencing from 1st September 2020 followed by a reversionary long term lease, and a rent free period is anticipated which will include the whole of the financial year to 31st March 2021 plus a rebate of rent for March 2020. This has resulted in negative rental income of £0.08 M (2020: £1.21 M). During the course of the year, the assets of the Annie Rylands Memorial Trust were donated to the Charity and £0.04 M was received from the transfer of funds from its bank account prior to closure.

Total expenditure for charitable purposes amounted to £1.40 M (2020: £1.60 M). A transfer of £3.56 M was made from the endowment fund to fund expenditure in the current year and part of the cost planned for 2021/22. The surplus for the year of £2.13 M (2020: deficit of £13.51 M) was transferred to reserves.

Endowment Fund

Dividend income of £0.24 M (2020: £0.56 M) was generated from the investment portfolio with costs of £0.06 M (2020: £0.06 M). £0.34 M was received from the closure of the Annie Rylands Memorial Trust's investment portfolio which was previously held with Investec.

Net gains from the Charity's investment in the MCF CAIF amounted to £2.60 M (2020: loss of £1.24 M) and withdrawals of £3.56 M were made to fund the transfer to the unrestricted fund. £1.23 M was written back to the value of the social investment property (the buildings leased to the School) following the repairs undertaken during the year.

Reserves Policy

As at the 31 March 2021 the total level of reserves was £14.79 M, of which £13.80 M related to endowment funds and the remainder of £0.99 M related to the working capital within the unrestricted general reserve.

The Charity's policy is to apply its resources for any charitable purpose connected with the School or the education of its pupils who are daughters or adopted daughters of English Freemasons in accordance with the trust deed. The Charity has commissioned a report from a firm of professional surveyors to consider the condition of the School buildings in anticipation of a new tenant repairing lease, from which significant dilapidations have been identified for rectification. The expected cost for this is estimated at £13.61 M and full provision has been made for this against the value of the investment property as laid out in note 6 to the accounts. In order to provide increased availability of funds, the trustee board agreed to adopt a Total Return basis for utilising investment returns on 12th December 2019, replacing the previous policy of applying in-year income only for the purpose of supporting the School. The surplus over the original endowment has been transferred to a separate reserve for the total unapplied return.

The social investment property has been valued through the discounting of expected future lease payments using a yield of 5.5% as the cost of capital, less the residual value of the provision for backlog repairs. This provision is being released back to the endowment fund in line with the works being completed and charged to the unrestricted general reserve. The provision for backlog repairs is reviewed on an annual basis, and adjusted as required in accordance with the evolving cost for the planned works.

Investment Policy and Performance

The investment strategy was to provide sufficient income to support the Charity's primary objectives whilst maintaining its real value to ensure that purchasing power does not diminish in the long-term. The trustee recognised that this required a medium to high risk asset allocation, with up to 85% of the portfolio invested in equities. Risk was mitigated through a diverse portfolio of fixed interest securities, equities, unit trusts and open-ended investment companies. Following the trustee's decision to adopt a Total Return basis, the requirement to maximise the income component of the investment return was removed, and the Charity was able to adopt the MCF investment strategy and to transfer its funds to the MCF CAIF.

The MCF global investment strategy seeks to protect the capital value of investments that are required to fund operations for a two-year time horizon (the "Cash Reserve") and to invest all remaining funds for long term growth, on a total return basis, with an overall objective of making a return of RPI plus 3% net of all expenses.

The Cash Reserve is provided by Royal London Asset Management and utilises three of their funds, which provide a mix of instruments, including cash instruments, Treasury Bills, covered (secured) bonds, corporate bonds, Supranationals and mortgage-backed securities. The performance objectives of the three funds are:

- Short Term Money Market Fund: SONIA
- Cash Plus Fund: SONIA plus 0.50% gross of fees
- Enhanced Cash Plus Fund: SONIA plus 1.00% gross of fees

Investment Policy and Performance (Continued)

The MCF sponsored the launch of the Masonic Charitable Foundation Investment Fund CAIF, which took place on 1st October 2018. This is a unit trust with a highly efficient tax wrapper in which the MCF and all its subsidiary charities own their shares in the form of units. Units will be sold as required in order to top up the Cash Reserve on a quarterly basis. The investment strategy is directed for "Steady Growth", which is a medium-high risk strategy. Risk is managed through diversification, with the funds split between four different fund managers operating on multi asset mandates but utilising differing investment management styles. The overall fund manager is Thesis Unit Trust Management Limited and the custodian in Northern Trust.

The asset allocation for the CAIF was amended on 1st April 2019 by the investment committee following advice from Asset Risk Consultants. The strategic and actual asset allocations as at 31st March 2021 are shown in the following table:

Asset Class	Strategic Allocation	Benchmark	Actual 31st March 2021
Cash	0.00%	7 day LIBID	3.70%
Fixed Income	7.50%	FTSE UK World Gov. Bond Index GBP	5.10%
International Equity	28.75%	MSCI World ex UK NR GBP	55.50%
Int'nl Equity GBP hedged	12.00%	MSCI World ex UK Hedged NR GBP	5.10%
U.K. Equity	18.00%	MSCI UK Equity NR GBP	18.60%
Emerging Market Equity	12.50%	MSCI Emerging Markets Equity NR GBP	3.10%
Global Equity Hedge	13.75%	HFRX Global Equity Hedge GBP	0.00%
Alternative Investments	3.75%	HFRX Global Hedge Fund GBP	6.80%
Property	3.75%	IA UK Direct Property TR	2.10%
	100.00%		100.0%

Performance under the new arrangements is shown in the table overleaf. Note that performance for periods before launch on 1st October 2018 is derived from the historical returns of the constituent fund managers:

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

Investment Policy and Performance (Continued)

	MCF CAIF	RLAM Short Term	RLAM Cash Plus	RLAM Enhanced	CCLA
Fund at 31st March 2021	£11.66 M	£ Nil	£ Nil	£ Nil	£ Nil
Investment approach	Steady Growth Multi-Asset	Capital Protection	Capital Protection	Capital Protection	Income & long-term Capital Growth
Benchmark	Composite	SONIA	SONIA	SONIA	MSCI/AREF UK other balanced property
Peer Group	ARC Charity GBP Steady Growth	None	None	None	ARC Charity GBP Steady Growth
Return for the year	27.90%	0.17%	1.38%	2.63%	3.00%
Benchmark return for year	26.00%	0.06%	0.06%	0.06%	(5.00)%
Peer group return for year	24.50%	N/A	N/A	N/A	N/A
3 year return	24.70%	0.57%	0.96%	1.50%	12.50%
3 year benchmark	20.80%	0.41%	0.41%	0.41%	(4.10)%
3 year peer group	19.10%	N/A	N/A	N/A	N/A

Worldwide stock-markets have recovered strongly since the collapse in March 2020, where the CAIF fell to a low point of £88.36 per unit on 23rd March. As at 31st March 2021, the CAIF was valued at £117.58 per unit.

RMIG ENDOWMENT TRUST

TRUSTEE'S ANNUAL REPORT

Principal Risks and Mitigation

The principal risks identified and agreed actions to mitigate are shown in the following table:

Risk	Consequence	Mitigation
Significant unexpected financial loss from operations	Reputational damage, loss of confidence with key stakeholders and impact upon continuing financial sustainability	Strong financial procedures, particularly budgetary planning and control. Oversight from the Finance Committee.
Inadequate liquidity to meet financial commitments	Poor service to beneficiaries and reputational damage. Withdrawal of key services from suppliers	Cash flow forecasting and liquidity planning within the Investment Strategy
Significant long-term loss in the value of the investment portfolio	Impacts financial sustainability and reputational damage with donors	Appointment of Asset Risk Consultants as expert investment advisors, providing monthly performance reporting and analysis. Oversight from investment and property committees.
Grants made outside the Charity's Objects and operating guidelines	Reputational damage, loss of confidence with key stakeholders and potential trustee liability	Strong procedures and controls for processing grants. Oversight from Masonic Support and Charity Grants committees
Cyberattack on IT systems	All key operations are compromised	United Grand Lodge of England ("UGLE") and IT network providers have strong security procedures in place covering access, protection, backups and disaster recovery facilities. Mandatory cybersecurity training in place for all staff
Data protection breach	Reputational damage and significant financial penalties	Data protection policy, IT security and HR policies in place
Fraud	Financial loss, reputational damage, adverse impact upon staff	Financial procedures, segregation of duties, authority limits, IT security, increased awareness amongst staff
Unavailability of office accommodation	Operations compromised	UGLE Business Continuity Plan
Loss of paper records from fire/flooding	Breach of legal obligations, adverse impact upon operations, potential financial penalties	Reduced reliance on paper records with increased use of IT.
Lack of compliance with employment legislation	Breach of legal obligations, potential financial penalties, breakdown of staff morale and adverse impact upon service provision	HR procedures and staff handbook. Induction processes for new staff. Ongoing management training and Personal Development Review
Undue reliance on key persons	Operational breakdown, adverse impact upon staff morale, poor service to beneficiaries and potential reputational damage	HR procedures: organisational and succession planning. Comprehensive documentation of procedures and controls

Risks are actively monitored by the Executive and the senior leadership team, and formally reviewed by the audit and risk committee at their biannual meetings.

Plans for Future Periods

The MCF plans to continue to operate the Charity in a prudent manner that meets the needs of its beneficiaries over the long term. It recognises the requirement to work closely with the School to resolve the backlog of repairs to its infrastructure that have built up over many years and will prioritise the development and execution of a 6-year plan to address these issues in a sustainable manner.

Negotiations are still in progress with regard to a replacement lease. The plan is to put in place a six-year interim lease, on terms similar to the previous lease, commencing with effect from 1st September 2020. This lease will run in tandem with the programme to address the backlog repairs. A long-term (99 year) tenant repairing reversionary lease will be executed simultaneously and will commence upon the expiry of the interim lease on 1st September 2026.

RMIG ENDOWMENT TRUST

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

Statement of Responsibilities

The trustee is responsible for preparing the trustee's report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (U.K. "GAAP").

The law applicable to charities in England and Wales, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed require the trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that year.

In preparing these financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The trustee is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. It is also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution proposing that Knox Cropper LLP be reappointed as auditor will be put to the members.

Approval by Trustee

This report, was approved by the trustee on 9th September 2021 and signed on their behalf by

Sir Paul Williams.

Sir Paul Williams, OBE, KStJ, DL

Chairman, MCF

RMIG ENDOWMENT TRUST

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RMIG ENDOWMENT FUND

We have audited the financial statements of the RMIG Endowment Fund (the "Charity") for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information.

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RMIG ENDOWMENT FUND

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the Trustee's Responsibilities Statement set out on page 11, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

RMIG ENDOWMENT TRUST

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RMIG ENDOWMENT FUND

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for any restricted funds was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for any restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the Charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken, so that we might state to the Charity's trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustee as a body, for our audit work, for this report or for the opinions we have formed.

Knox Cropper LLP 9/9/21

Knox Cropper LLP
Statutory Auditor
65 Leadenhall Street
London EC3A 2AD

Knox Cropper LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

RMIG ENDOWMENT TRUST

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2021

(Including an Income and Expenditure Account)

	Note	Unrestricted funds 2021 £'000	Endowment funds 2021 £'000	Total Funds 2021 £'000	Total Funds 2020 £'000
INCOME					
Donations		57	278	335	0
Investment income	2	(79)	240	161	1,799
Total income		(22)	518	496	1,799
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Net income/(expenditure)		(1,423)	4,289	2,866	(14,717)
Transfers between funds	9	3,556	(3,556)	0	0
NET MOVEMENT IN FUNDS		2,133	733	2,866	(14,717)
Total funds brought forward		(1,142)	13,065	11,923	26,640
Total funds carried forward		991	13,798	14,789	11,923

All income and expenditure derive from continuing activities and all gains/losses are included in the statement of financial activities

The notes on pages 19 to 28 form part of these financial statements. The prior year figures are analysed by fund in note 12 on page 27.

RMIG ENDOWMENT TRUST

BALANCE SHEET as at 31 March 2021

	Note	March 2021 £'000	March 2020 £'000
FIXED ASSETS			
Social Investment property	6	2,138	909
Investments	7	11,659	12,154
		13,797	13,063
CURRENT ASSETS			
Cash at bank and in hand		1,739	436
		1,739	436
CURRENT LIABILITIES			
Creditors falling due within one year	8	(747)	(740)
NET CURRENT ASSETS		992	(304)
TOTAL ASSETS LESS CURRENT LIABILITIES		14,789	12,759
Creditors falling due after one year	8	0	(836)
Total net assets		14,789	11,923
CHARITABLE FUNDS			
Endowment funds			
Permanent endowment	9	10,909	10,909
Total unapplied return	9	2,889	2,156
		13,798	13,065
Unrestricted funds			
General reserves	9	991	(1,142)
Total charitable funds		14,789	11,923

The financial statements were approved and authorised for issue by the Trustee Board on 9th September 2021 and signed on its behalf by:

Sir Paul Williams, OBE, KStJ, DL
Chairman

Michael Heenan
Treasurer

The notes on pages 19 to 28 form part of these financial statements

RMIG ENDOWMENT TRUST

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2021

	Note	2021 £'000	2020 £'000
Operating Activities			
Net cash provided by/(used in) Operating Activities	A	(1,102)	(2,262)
Cash flows from investing activities			
Dividends and interest from investments		161	1,799
Proceeds from the sale of investments		3,556	14,409
Purchase of investments		(279)	(14,465)
Net cash provided by/(used in) Investing Activities		3,438	1,743
Cash flows from financing activities			
Repayment of borrowings		(1,033)	(197)
Change in cash and cash equivalents in the reporting period		1,303	(716)
Cash and cash equivalents at the beginning of the reporting period		436	1,152
Cash and cash equivalents at the end of the reporting period	13	1,739	436

Notes on the cash flow statement

A **Reconciliation of net income/(expenditure) to net cash flow from operating activities**

Net movement in Funds as per the Statement of Financial Activities	2,866	(14,717)
Adjustments for:		
Depreciation charges	0	502
Impairment of investment property	(1,229)	13,614
Dividends, interest and rents from investments	(161)	(1,799)
Other movements in investments	(2,782)	1,113
(Increase)/decrease in debtors	0	811
Increase/(decrease) in creditors	204	(1,786)
Net cash provided by/(used in) Operating Activities	(1,102)	(2,262)

RMIG ENDOWMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

(a) **Statement of compliance**

The financial statements of the RMIG Endowment Trust (the "Charity") have been prepared in accordance with applicable UK accounting standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"). Additionally, they comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102 second edition) published in 2019 (the "SORP") in all material respects. The Charity meets the definition of a public benefit entity under FRS 102.

(b) **Basis of preparation**

The financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investments, on a basis consistent with previous years. The functional currency of the Charity is considered to be Pounds Sterling because that is the currency of the primary economic environment in which the Charity operates.

(c) **Going concern**

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustees of the Charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

(d) **Incoming resources**

Revenue is recognised when the significant risks and rewards of ownership have been transferred, the amount of revenue can be measured reliably, it is probable that future economic benefits will flow to the Charity and when the specific criteria relating to each of the Charity's revenue channels have been met, as described below:

i. Rental and income is accounted for on an accruals basis under the terms of the lease with the School.
ii. Interest on fixed-interest securities is accounted for on an accruals basis.
iii. Dividends on equities are recognised on receipt of payment.

(d) **Resources expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of any obligation can be measured reliably. All resources expended are recognised on an accruals basis, with the exception of grants as noted below.

Grants are recognised as expenditure in the year in which the grant is formally approved by the Charity and has been communicated in writing to the recipient, except to the extent that it is subject to conditions that enable the Charity to revoke the award.

(e) **Allocation and apportionment of costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

(f) **Employee benefits**

All staff are employed by the parent charity, The Masonic Charitable Foundation. No charge is made to the Charity in respect of staff providing services to the Charity. No remuneration is paid to trustees and no expenses reimbursed.

(g) **Fund accounting**

Unrestricted funds may be utilised for any purpose in accordance with the charitable objectives of the Charity. The trustees took the decision at the end of the previous year to move the endowment fund to a total returns basis, resulting in a change of policy. Investment income and management fees are retained within the CAIF and the endowment fund. Withdrawals from the CAIF are transferred to the general fund from the total unapplied return section of the endowment fund.

(h) **Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are stated at market value. All realised and unrealised gains and losses are recognised within the Statement of Financial Activities. Investments which the Charity holds for resale or pending their sale and cash or cash equivalents with a maturity date of less than one year, which are held for investment purposes, are disclosed as current asset investments.

(i) **Financial assets and liabilities**

The Charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Financial assets and liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities which qualify as basic financial instruments are initially recognised at the settlement amount after any trade discounts. They are subsequently valued at amortised cost and assessed for impairment at the end of each reporting period. Where settlement is not expected within 12 months of the balance sheet date, then the asset or liability is discounted using the long term return of inflation plus 4 percent used as the target for the Charity's investment portfolio. Basic financial instruments include debtors, cash and creditors within the balance sheet.

(j) **Taxation**

The Charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and it is considered to pass the test set out in paragraph 1, schedule 6 of the Finance Act 2010, and therefore it meets the definition of a charity for U.K. Corporation Tax purposes. The Charity is unable to recover Valued Added Tax (VAT) incurred on expenditure. The amount of VAT that cannot be recovered is included within the underlying cost to which it relates.

(k) **Social Investment Property**

The social investment property has been valued through the discounting of expected future lease payments using a yield of 5.5% as the cost of capital, less the residual value of the provision for backlog repairs. This provision is being released back to the endowment fund in line with the works being completed and charged to the unrestricted general reserve. The provision for backlog repairs is reviewed on an annual basis, and adjusted as required in accordance with the evolving cost for the planned works. Gains or losses are recognised within the Statement of Financial Activities. No depreciation is provided on social investment properties.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

2. INVESTMENT INCOME

	Unrestricted funds 2021 £'000	Endowment funds 2021 £'000	Total Funds 2021 £'000	Total Funds 2020 £'000
Interest on bank deposits	3	0	3	3
Income from investment portfolios	0	240	240	564
Rental income - Royal Masonic School	(90)	0	(90)	1,198
Rental income - other	8	0	8	10
Income - other	0	0	0	24
	(79)	240	161	1,799

3. CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £'000	Endowment funds 2021 £'000	Total Funds 2021 £'000	Total Funds 2020 £'000
Masonic				
Foundation scholarships & bursaries	10	0	10	17
	10	0	10	17
Non-Masonic				
Property expenses	1,335	0	1,335	1,513
Support Costs	56	0	56	70
	1,391	0	1,391	1,583

4. SUPPORT COSTS

	Unrestricted funds 2021 £'000	Endowment funds 2021 £'000	Total Funds 2021 £'000	Total Funds 2020 £'000
Administrative costs	0	0	0	0
Interest and bank charges	38	0	38	55
Governance costs	18	0	18	15
	56	0	56	70

5. STAFF COSTS

The Charity employed no staff during the year (2020: None). No staff recharges have been made from the MCF to the Charity.

No trustees received remuneration from the Charity during the year (2020: £ Nil). No trustees' expenses were incurred during the year (2020: £ Nil).

6. SOCIAL INVESTMENT PROPERTY

	March 2021 £'000	March 2020 £'000
Balance at 1 April 2020	909	0
Reclassification from tangible fixed assets	0	14,523
Provision for backlog repairs	1,229	(13,614)
Balance at 31 March 2021	2,138	909

See also note 1 (k) on the accounting policy

7. INVESTMENTS

	March 2021 £'000	March 2020 £'000
Fixed Asset Investments:		
- Managed Funds		
MCF CAIF	11,659	11,586
- Other managed funds	0	568
	11,659	12,154

MOVEMENTS IN INVESTMENTS

Listed

Balance at 1 April 2020	12,154	13,330
Additions	279	14,465
Disposals	(3,556)	(14,409)
Investment income reinvested	240	142
Management fees charged to the fund	(56)	(11)
Gains/(losses)	2,598	(1,244)
Changes in cash balances held	0	(119)
Balance at 31 March 2021	11,659	12,154

RECONCILIATION TO SOFA

Gains/(losses) on listed investments	2,598	(1,244)
Provision for backlog repairs on social investment property	1,229	(13,614)
	3,827	(14,858)

8. CREDITORS

	March 2021 £'000	March 2020 £'000
Falling due within one year		
Bank loans and overdrafts	0	197
Trade creditors	52	34
Amounts owed to group undertakings	9	0
Other creditors	674	500
Accruals	12	9
	747	740
Falling due after more than one year		
Bank loans	0	836
	0	836

The Charity's loan facility with its bankers was repaid towards the end of the year. A new loan was taken out on 7th April 2021 for an amount of £835,817. It is repayable in 52 monthly instalments ending 10th August 2025. Interest is chargeable at a fixed rate of 3.31%

9. **MOVEMENT IN FUNDS**

	Balance at 1 April 2020	Income	Expenditure	Gains/ (losses)	Transfers	Balance at 31 March 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Endowment funds						
Permanent endowment	10,909	0	0	0	0	10,909
Total unapplied return	2,156	518	(56)	3,827	(3,556)	2,889
	13,065	518	(56)	3,827	(3,556)	13,798
Unrestricted funds						
General reserves	(1,142)	(22)	(1,401)	0	3,556	991
	(1,142)	(22)	(1,401)	0	3,556	991
Total funds	11,923	496	(1,457)	3,827	0	14,789

PRIOR YEAR	Balance at 31 March 2019	Income	Expenditure	Gains/ (losses)	Transfers	Balance at 31 March 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Endowment funds						
Permanent endowment	14,271	0	0	(13,614)	10,252	10,909
Total unapplied return	0	564	(58)	(1,244)	2,894	2,156
	14,271	564	(58)	(14,858)	13,146	13,065
Unrestricted funds						
General reserves	12,369	1,235	(1,600)	0	(13,146)	(1,142)
	12,369	1,235	(1,600)	0	(13,146)	(1,142)
Total funds	26,640	1,799	(1,658)	(14,858)	0	11,923

10. ASSETS AND LIABILITIES

	Investment Properties £'000	Investments £'000	Current Assets £'000	Liabilities & Provisions £'000	Fund Total £'000
Endowment funds					
Permanent endowment	909	10,000	0	0	10,909
Total unapplied return	1,229	1,659	0	(1)	2,889
	2,138	11,659	0	(1)	13,798
Unrestricted funds					
General reserves	0	0	1,739	(746)	991
	0	0	1,739	(746)	991
Total funds	2,138	11,659	1,739	(747)	14,789

PRIOR YEAR	Investment Properties £'000	Investments £'000	Current Assets £'000	Liabilities & Provisions £'000	Fund Total £'000
Endowment funds					
Permanent endowment	909	10,000	0	0	10,909
Total unapplied return	0	2,154	0	2	2,156
	909	12,154	0	2	13,065
Unrestricted funds					
General reserves	0	0	436	(1,578)	(1,142)
	0	0	436	(1,578)	(1,142)
Total funds	909	12,154	436	(1,576)	11,923

11. RELATED PARTY DISCLOSURES

As described in the trustees report the Charity has a close working relationship with the Royal Masonic School for Girls (the "School"). Two trustees of the ultimate holding company are also governors of the School.

At the balance sheet date, a total amount of £673,935 due from the Charity to the School (2020: £487,121) was included in other creditors (note 8).

The Charity is currently in the process of agreeing a long-term lease with the School, and the heads of terms document has been used for the purpose of valuing the social investment property as per note 6 of the financial statements.

12. STATEMENT OF FINANCIAL ACTIVITIES 12 MONTHS ENDED 31 MARCH 2020

(Including an Income and Expenditure Account)

	Note	Unrestricted funds 2020 £'000	Endowment funds 2020 £'000	Total Funds 2020 £'000	Total Funds 2019 £'000
INCOME					
Investment income	2	1,235	564	1,799	2,007
Total income		1,235	564	1,799	2,007
EXPENDITURE					
Investment management costs		0	(58)	(58)	(76)
		0	(58)	(58)	(76)
Charitable activities					
Masonic grants	3	(17)	0	(17)	(19)
Non-Masonic grants	3	(1,583)	0	(1,583)	(1,731)
		(1,600)	0	(1,600)	(1,750)
Total expenditure		(1,600)	(58)	(1,658)	(1,826)
Net gains/(losses) on investments	7	0	(14,858)	(14,858)	32
Net income/(expenditure)		(365)	(14,352)	(14,717)	213
Transfers between funds	9	(13,146)	13,146	0	0
NET MOVEMENT IN FUNDS		(13,511)	(1,206)	(14,717)	213
Total funds brought forward		12,369	14,271	26,640	26,427
Total funds carried forward		(1,142)	13,065	11,923	26,640

13. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS LESS DEBT

	At 1 April 2020 £'000	Cash Flow £'000	Non-Cash Changes £'000	At 31 March 2021 £'000
Cash and cash equivalents				
Cash at bank and in hand	436	1,303	0	1,739
	436	1,303	0	1,739
Borrowings				
Bank loans due within one year	(197)	197	0	0
Bank loans due after one year	(836)	836	0	0
	(1,033)	1,033	0	0
Total cash and cash equivalents less debt	(597)	2,336	0	1,739

14. COVID-19 PANDEMIC

The School was adversely impacted by both the pandemic and subsequent lockdown during the year, with the loss of boarding fees, reduced fees during a period of virtual teaching and reduced pupil numbers. The Charity has agreed to support the School with a two-year rent free period within its negotiations for the new lease.

The backlog repairs have also been impacted by shortages of labour and building materials, both of which have resulted in significant upwards pressure on costs. This is expected to continue for at least the next year before prices start to stabilise. The Charity expects to have sufficient liquid reserves available to undertaken the backlog repairs over the planned six-year timetable.

15. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Masonic Charitable Foundation (Registered Charity No. 1164703, Company Number 09751836), which is the sole member of the company. Consolidated accounts for the MCF, which include the accounts of the Charity, can be obtained from the registered office of the Charity.